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# ***JPRS Report***

## **East Europe**

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# East Europe

JPRS-EER-88-007

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## HUNGARY

### **Rumors That Soviets Plan To Leave Satellites Termed Unfounded**

25000456b Budapest *MAGYAR NEMZET* in  
Hungarian 1 Jun 87 p 1

[Excerpts] Berlin, which is becoming more beautiful by keeping in mind her past, as well as by legendary German precision, lent a proper framework for last week's summit meeting of the Political Deliberative Body of Warsaw Pact nations. Reconciliation between the past and the present virtually radiated from this urban setting, because it served to define the present-day validity of historic lessons.

In this GDR capital a respectable number of Western journalists made no secret of their feelings that they expected the Warsaw Pact to lend its voice to strengthen West European endeavors aiming for disarmament agreements, by offering new recommendations and possibly by taking unilateral steps. As it was stated repeatedly by the Soviet Union, there has been no satisfactory response to last year's Budapest proclamation calling for a substantial reduction in the armed forces and armaments based in Europe either. Aware of these facts, one wonders what could have provided foundation for rumors that the Soviet Union was preparing for a unilateral withdrawal of its forces from the allied countries. This question was raised by Moscow foreign policy experts before the opening of the Berlin meeting. After all, it should suffice to remember that the 18 months nuclear moratorium and the reduction of forces in Afghanistan had made it clear that practical gestures have no impact on the addressees either.

12995

### **'Our Economic Cooperation With the Soviet Union Widening'**

25000456a Budapest *NEPSZAVA* in Hungarian  
23 Apr 87 p 4

[Text] The 36th session of the Hungarian-Soviet inter-governmental committee for economic, technical and scientific cooperation has come to an end. As contained in the session's minutes, the results of the negotiations were signed by committee co-chairmen Jozsef Marjai and deputy premiere Aleksei Antonov. Representatives of ministries and experts from the two countries participated in the committee's work. Soviet ambassador Boris Stukalin was present at the signing ceremonies.

The main topic at the working session was the implementation and future planning of agreements reached at the June and November 1986 meetings of the MSZMP and CPSU executive secretaries and at the December 1986 meeting of the two cabinet heads concerning the expansion and deepening of cooperation between the two countries. The results produced by the implementation of high level decisions was viewed positively. It was

resolved that intensive work must continue. Achievement of the goals set, and the expansion of Hungarian-Soviet economic, technical and scientific cooperation will increasingly contribute to the composite tasks faced by the two people's economies. There was agreement among session participants that the tasks to be accomplished in 1987 must be assigned priority.

### **New Recommendations To Be Developed This Year**

In the course of reviewing the implementation of tasks that were established at the meeting of the cabinet heads, the committee approved the 1987 program content of recommendations aimed at the perfection of cooperation. It took note of reports and recommendations submitted by organizations that have jurisdiction within the two countries, concerning a fuller utilization of Hungarian production capacities through the importation to Hungary of Soviet raw materials and base materials, as well as parts and complementing products. The committee heard an informative statement concerning reconstructive work aimed at Soviet participation in Hungarian plants, and Hungarian participation in Soviet plants, as well as concerning possible Hungarian-Soviet cooperation in establishing third-country objectives.

The committee viewed favorably the fact that planning organizations in the two countries have agreed to increase by 1 billion rubles the volume of goods to be exchanged under the long-term trade agreement between 1987 and 1990, and affirmed its intent to continue exploring trade involving new product categories, and to mutually expand the exchange of goods.

The committee reviewed the results achieved so far by the development of direct relationships between associations, enterprises and organizations, and of activities aimed at the establishment of joint enterprises, international associations and organizations. It found that this kind of work has accelerated within the enterprises of the two countries: direct relationships were established between 100 Hungarian and 100 Soviet enterprises of which 72 enterprise-pairs have already formalized their cooperative agreements.

### **Joint Enterprises and Joint Planning Organization**

The committee deemed it necessary that the affected ministries and lead authorities in Hungary and in the Soviet Union assist the enterprises and organizations of the two countries in developing joint enterprises. They confirmed the fact that the new, cooperative organizational forms must be based on the interests of the affected enterprises: only functioning, independent, successfully productive joint enterprises will be eligible for support. While the committee was in session, documents pertaining to the establishment of two new Hungarian-Soviet joint enterprises and a joint planning organization were signed by executives of these enterprises. The Volanpack and the Littara enterprises are establishing a

joint enterprise for the production of packaging materials and for the packaging of products. The joint enterprises will be domiciled in Vilnius. The other joint enterprise will be domiciled in Budapest. It will be engaged in the development and manufacture of highly integrated circuits. Its Hungarian founders are the Microelectronics Enterprise and the Communications Technology Cooperative. The Soviet founders are the Union of Nauchnyi Centr and the Elektronzagranspostavka Enterprise. The purpose of the joint planning organizations is to develop installations for the production of light sources. Its participants will be Tungstam Inc. and the Union Iskra of Lvov.

The committee heard a report on the examination of possible cooperation in the manufacture of the new type ZAZ automobiles. Soviet, Hungarian and Bulgarian enterprises are discussing the possibilities of cooperation. They agreed to continue to clarify the technical and economic issues that attend the planned cooperative endeavor.

#### Chemical and Agricultural Industrial Complexes

The committee examined progress made in the fulfillment of two major Hungarian-Soviet chemical industry agreements. It reviewed developments flowing from an intergovernmental agreement concerning the manufacture and delivery of bonding agents and their byproducts, and assigned future tasks. The committee dealt intensively with the manufacture and mutual delivery of insecticides and fertilizers, and with related tasks that lay ahead.

The committee found that there were favorable developments in the cooperative effort for an agricultural industry complex. They signed technical and scientific interministerial agreements to expire in 1990 in 32 categories, including important areas like the selection, growing and breeding of new plant and animal species, and the development of manufacturing technology for the food industry. Direct relationships were established between Hungarian and Soviet farms concerning the production of corn, and poultry with increased meat content, and the committee examined the possibility of establishing joint enterprises for the sale of seeds, for the production and processing of vegetables and fruits, and for growing flowers. The committee instructed the affected organizations to speed up the fulfillment of assignments contained in the agricultural cooperative and developmental agreements signed in January 1986, and the exploration of yet unexplored cooperative opportunities in food production by farms.

Participants at the session agreed that broadening the scope of joint market research is of primary significance from the viewpoint of expanding mutual trade. Similarly, from the viewpoint of invigorating the activities of Hungarian and Soviet enterprises, it is important to establish joint, targeted advertising, to accelerate the

mutual inspection of goods to be delivered, to flexibly accommodate buyer requirements, to improve spare-parts supplies for machinery delivered, and to expand technical service delivery.

12995

#### Need for Party Leadership, Unity, Discipline Stressed

25000035 Budapest NEPSZABADSAG in Hungarian  
17 Oct 87 p 3

[Article by Imre Somogyi, secretary of the Central Control Committee: "Party Unity and Independence"]

[Text] Our party and the entire country faces great tasks. We are in a more difficult phase of development than before. Without any doubt, the not at all favorable effect of the world market on us plays a part in the development of the situation but of primary importance are the accumulated economic problems within the country which are dependent on us and the social tensions arising from them.

#### With Responsible Action

The primary guarantee and condition for the realization of the government program which is based on the position statement of the Central Committee issued in July is for the members of the party and society as a whole come to know, understand, and embrace it and to consistently accept responsibility for its realization with a new type of thinking and intelligent action. This is not only a matter for the Central Committee or the government but for all communists, the entire party, and the entire country. It is a fact that today economic policy and economic questions are at the center of attention, and it is possible that it seems to many as though answers need only to be found for these questions whereas there is much more at issue: the renewal of all of society.

I am convinced that the majority of party members responsibly accept the tasks associated with progress. However, since the party is not faceless and "an army marching on command" but instead is a voluntary militant alliance composed of people with differing opinions, perspectives, ages and personalities who are motivated by the identical goal but who do not always agree on the solution. We may count on the fact that there are and will be those who will have difficulty in understanding the essence of the position statement of the Central Committee and the government program. More than likely, there will also be some—we hope few—who will be prevented from participating in the renewal efforts by a certain way of thinking and the lack of realizing the necessary action to take. There may also be some who—either, based on their own convictions or under some influence—oppose the efforts of the party and the government.

It could happen that in the tumult of the renewal some individuals may perhaps weaken indispensable basic tenets or may presume them to be no longer needed. It is imaginable that on the pretext of renewal others will try to attack the party. Whether the party's leading role would be weakened, or an attempt made to undermine it, by good intent, ignorance, or deliberate intent it would in any case have detrimental consequences with respect to our society. It follows from the nature of the thing that there are different things to do: there are some who must be convinced, others have to be shaken up, and still others—if warranted—must be taken to task. The point is: that now, despite the differences of opinion we must come to an agreement on the basic questions. There is no longer a need to debate the designated primary goals and the direction of the action to be taken: active work is needed. We know that past successes also strengthen our current struggles and it is useful if former mistakes serve as a lesson. The most important condition for the realization of our economic and social program is to better involve the active individual in the main processes of the economy and society, and to give him an interest in changing it. Socialism only utilizes this possibility wisely if it treats them intelligently and responsibly. This reinforces openness and publicness and also allows the widest possible scope of supervision over the development of things. The development of socialist democracy could promote progress and could serve to establish a creative atmosphere. Democracy also means conflict and struggle for the protection and expansion of ethical, intellectual, and economic values.

### Representing the Policy

It is also the duty of the party possessing scientific concepts to recognize the underlying laws operating within society and the economy and to help put those in the service of progress. This does not always occur without mistakes; sometimes principles and practice are not in agreement. Corrections in this area are therefore possible and necessary, but it may not touch the core, that is to say, the leading role of the party in the direction of society is indispensable.

The party however is only capable of leading if it is unified. We can only attain our goals if political unity is followed by the unity of action, if words are followed by actions, if the party membership represents the policy and supports it to the best of its ability, and responsibly participates in its realization. Recently, party unity has been subject to greater challenges and in certain situations it is also more ineffective. There are several reasons for this. One reason is that it is harder to orient amidst the more complex circumstances and there are fewer certain foundations. But it is nevertheless not possible to allow just anyone to arbitrarily interpret the policy and what needs to be done. For this reason the Central Committee in its position statement also declares: "Above all there is a need for solid party unity and determined political advocacy ... Communists must set an example by their responsible conduct."

Party unity may be realized if there is order and discipline. This does not mean that communists accept everything uncritically; on the contrary, the goal is precisely that they honestly express their opinions, debate, and search for the best methods of solution and indicate if things are not alright. It must also be taken into account that even within the party there is and will be differing opinions on questions of details.

Party unity is not in contradiction to party democracy; for that matter, it is a prerequisite of it. But party democracy is also not contrary to discipline. The protection of the party's unity and discipline could form the basis for the perfection of party democracy which will be the indispensable motivator of social renewal in the future. We must discard the mistaken belief that discipline fetters the individual, restricts his independence, capacity for action and creativity and curtails the freedom of personality. This faulty idea is nourished by bourgeois- petite bourgeois concepts may at times be found even among party members although it should be known: the lack of discipline leads to anarchy.

### The Leading Role Is Not a Position

All factors associated with the functioning of the party—including also debates—have a determinative order and goal. Above all, they must be constructive and forward moving. We do not debate merely so that opinions and differences of opinion will come out into the open and thereby allow their clarification but also to improve the effectiveness of the actions and that they produce the desired result. Debate within the party is not aimless and is necessarily followed by decision making after which there may not be any more politicizing about the same issue, but rather, actions must be taken in accordance with the decisions and resolutions. It is an error if someone debates when it is time for implementation and with counterarguments and by raising objections obstructs the road leading to the goal. Democracy does not mean that all opinions prevail, but what is desirable is that the opinions serving to formulate and realize the goals be accepted. Nor is the practice acceptable that party members either agree or stay silent in organizations and at party forums and then elsewhere express their opinions in opposition with the party's policy.

Democratic centralism is a fundamental principle determining the operation of the party which contributes to the realization of the party's ideological, political, organizational, and action unity. It is able to maintain its leading strength through this, and it is possible through this that the members of the party advocate, protect, and implement the party's policy. Democratic centralism is often divided as an interdependent and mutually reciprocal unity whereas only the two together can be effective in the party. It is also strange that centralism is now kept silent about as if it were something antiquated. Whereas in the present situation democratic centralism should be

strengthened even more in the party since we want communists understand the position of the Central Committee, to make others understand it and therefore act accordingly.

Helplessness, clinging to the usual model, comfort, and indifference is not permissible now. The party's leading role is not a position. The party's role and responsibility must not be primarily asserted in the areas of denying permission, silencing, or prohibition but instead by being in the forefront and in assuming increased initiative. Our society now needs an especially strong, unified party capable of action. That is why there is a need to urgently rethink questions related to the development of party work and interpretation of its leading role.

### **The Standard of Belonging to the Party**

The Central Committee in its position statement specially deals with improving leadership work and the role and responsibility of leaders. Its warning is formulated as follows: "We must make more stringent demands on the leaders, and at the same time it is also necessary to increase the social appreciation of high-quality leadership work." It is well-known that the starting point of every activity—but especially of leadership work—is the definition of requirements, or rather, its exact formulation, and making it clear what is expected of whom and when. The next step is to supervise the completion of tasks on all levels. Thanks to this it is possible to quickly help or, if necessary, to intervene or just prevent some objective or subjective obstacle. In this way there also the possibility of taking timely action if someone either does not know or perhaps does not want to fulfill their responsibility, that is, does not meet the current requirements.

Insensitive people who do not care about the public good or who are not familiar with or experience the fate and lives of the people cannot be and should not be permitted in positions of leadership. Those deserve respect and acknowledgment who are not busy with their own personal matters and affairs but with the people's. It is impossible for socialism to countenance the leader who works without results and is immoral. The time has come to not allow opportunity explanations smart talk in place of concrete action, and unnecessary self-justification. We must break with the "wait and see method" and also with the attitude that "there cannot be any trouble if we don't do anything." Negligence, indifference, irresponsibility, damage, the hurting of morale, and lack of discipline may not remain without consequences. Leaders should also make greater demands on their subordinates. They must demand quality work, disciplined behavior, and they must maintain discipline in their areas of work. It must finally be understood and made to be understood that discipline and order are necessary for creativity and action. The renewal of perspective and thinking requires that we also create order in the brains.

We must with all our energy help the renewal process to proceed ever faster and more successfully. We must strive to prevent injury to party discipline, that is, we must consistently counter those disturbing the discipline. An organic part of this process is the strengthening of discipline within the party, the forging of party unity and the protection and support of those organizations, forums, and individuals which, that is, who work for the realization of the program. These are the standards today of belonging to the party!

We must strengthen the sense of security and the belief in the future so that worry or fear of the future will not paralyze anyone. The example of communists in thought and action is such a powerful force which may be a certain guarantee for the realization of our goal and the lifting up of our country.

09956

### **Hungarian Foundation Awards Kiralyi of Transylvania**

*25000037d Budapest ELET ES IRODALOM  
in Hungarian 6 Nov 87 p 11*

[Text] The board of curators of the Bethlen Gabor Foundation held its celebratory session in the gala hall of the Szechenyi Library. The session, conducted in front of a large audience, commemorated the 85th birthday of Gyula Illyes, who initiated the foundation, and distributed the awards of this year.

According to the decision of the board of curators, Attila T. Szabo, a Kolozsvár linguist (posthumously), Zbigniew Herbert, Polish poet and Karoly Kiraly, Hungarian politician and public figure in Romania were awarded the Bethlen prize. Laszlo Vekerdi, Sandor Csoori and Lajos Fur gave eulogies of the awarded.

On the occasion of the celebration, an exhibition of the illustrations of Illyes's works by Miklos Borsos and Istvan Bognar was opened in the Szechenyi Library.

13212

### **PPF's Huszar Advocates More Autonomy in Cultural Policy**

*25000036 Budapest NEPSZABADSAG in Hungarian  
13 Nov 87 p 3*

[Interview with Istvan Huszar, chairman of the cultural policy committee of the Patriotic People's Front, by Gyorgy Czippan: "Incentives for Culture"]

[Text] [Question] There are many indications that the educated human mind is not considered to be as important as it used to be. Does this view reflect our actual requirements? Or to put it more bluntly: does our society have a greater need for muscle power than for knowledge?

[Answer] My answer is no. The question, of course, cannot be dismissed so simply. Undeniably there are many indications that the social prestige of education has declined. At the same time, however, the value of knowledge has enjoyed a general and steady appreciation worldwide, a tendency which we can also observe in our country. Even if what we actually see happening in the spheres of distribution does not always reflect this.

### Social Realization

[Question] How has this dichotomy come about?

[Answer] In recent years, cultural life in our country has undergone rapid development. One measure of this has been the increase in demand for knowledge and education that can be obtained within our school system. More and more people have been opting to continue their studies. People with high school diplomas no longer want to become blue-collar workers. Of all the blue-collar jobs, the educationally least demanding work, unskilled labor draws the least interest. The problem is that despite the reforms our economy still has not undergone a rapid enough technological modernization. We have, for example, failed to make any progress in the mechanization of storage and transportation. This has created a tremendous shortage of raw physical labor. Manpower is not a commodity—we used to say—however, it has behaved as just that: in order to find any volunteers we have had to offer high compensation for unskilled labor. Our wage system and income distribution have evolved accordingly, as a result of which we now have a situation where in many areas unskilled workers earn more than their skilled colleagues and even more than people working in certain white-collar fields. These developments in the distribution sphere, however, have not been able to offset the general appreciation of the value of knowledge. Every change that affects our lives perpetuates this trend. In this era of rapid technological revival only educated minds can be called upon to meet the challenges facing us in every sphere of life. We need minds that are capable of mastering even the most modern technologies. Moreover, we need minds that can find ways of moving beyond the state of the art. Although the great demand for unskilled labor has declined, this period is still far from being over. Our society has already recognized the need for more knowledge in all spheres and at all levels, however, this is not always translated into practice.

[Question] Speaking at the national conference of public educators, CC Secretary Lenard Pal warned that we could no longer afford to finance the so-called classical sphere according to the outdated principles of the past. Can political means be used to protect culture?

[Answer] One indication of the level of concern about the problem is that it was already taken up at the December session of the MSZMP last year. Moreover, in the past years, the CC has frequently examined the relationship between the economy and culture. It is only

now, however, that we are beginning to learn from the lessons that we have drawn from our experiences. For now, our policy making bodies still view the deficiencies plaguing our economic life as the most urgent problems to contend with. Consequently, certain spheres of our society, such as culture, may become relegated to the background. Once those bodies begin to recognize that these problems need to be looked at from a perspective of—as Lukacs put it—social totality, then they will also be more mindful of safeguarding culture. If for no other reason, to ensure that we do not lose one of the most important resources of the coming years.

I firmly believe that the economy and culture are just as autonomous spheres as ideology and politics, meaning that we must allow their inner laws to assert themselves. As soon, however, as the social equilibrium becomes upset, the political sphere must intervene as only it is capable of restoring order. The time for such intervention is nearing, seriously threatening the established battle positions of culture.

Clearly cultural problems cannot be resolved purely by political means. Generally speaking, politics must be culture-centered, and must find the proper means to support it. Support, incidentally, is by no means lacking; even our economists believe that human investments bring the greatest returns. They do admit, however, that it takes a very long time for those returns to be realized.

### It Is Worth the Investment

[Question] In everyday life this realization is often ignored.

[Answer] Perhaps because there are so many short-term interests that dominate our lives today. Strategic planning is not the characteristic approach of our policy makers. Still money spent on education is our most profitable investment.

[Question] Looking at it from below, how would you assess the state of Hungarian education? In the country and city alike there is a growing need today for self-education. There is a promising new movement being organized under the auspices of the People's Front. What, in your opinion, lends sustenance to this trend?

[Answer] In accordance with the general political recognition, individual citizens are also beginning to realize that it is worth making sacrifices for culture. One could also mention the desire to carry on our noble traditions. The new popularity of the people's colleges, for example, represents the revival of a half-century old tradition. At the same time, it is also an expression of criticism of the mistakes and shortcomings of our educational system, language instruction and of the activities of our educational institutions.

[Question] Is this a need devoid of self-interest?

[Answer] I do not believe so, although that interest may not necessarily be of a financial nature. Knowledge enhances people's social prestige. Let me quote from Tamas Kolosi's book, entitled "Tagolt tarsadalom" [Stratified Society]. The Social Science Institute of the MSZMP has conducted a study of the cultural differences and interrelationships that prevail in the various strata of today's Hungarian society, and have come to certain significant conclusions the importance of which has not been fully assessed even perhaps by our policy makers: "The transmittal of culture plays the most important role in the regeneration of inequalities." This has been confirmed by a wide array of mathematical and statistical studies. But I could also quote Marx who said that the real fixed asset was man himself. A person with a well-rounded education is also a more valuable member of the work force. People have grown fully conscious of this fact, which is why most are working hard to accumulate, either for themselves or for their children, as much knowledge as possible.

[Question] Is the framework provided by the People's Front sufficient?

[Answer] It is not sufficient, and there is no reason why independent cultural associations and collectives could only be established under the auspices of the People's Front. The law governing associations does not regulate them adequately, and does not provide them sufficient legal guarantees. This is why we have put the association law on the agenda. Our main goal is to make education a collective cause through a variety of forms. I am not proposing to replace state assistance with individual grants and private donations. Instead I am recommending that we make it easier for state subsidies to be used efficiently, and that we establish the necessary social controls to ensure that the available funds do not become wasted.

[Question] Can the official and spontaneous efforts aimed at improving education peacefully coexist, or is there likely to be a rivalry between them?

[Answer] Today this is still unclear, despite the fact that the subject has already been taken up by both the party and the People's Front. Some of our educational institutions have shown proper tolerance and have accepted and even adopted spontaneous efforts into their own systems. I am happy to say that they do so by providing fertile ground for them to flourish. However, there are also institutions that have refused to recognize those efforts, or at best have acted as if they were doing them a favor by tolerating their existence within their walls.

#### Declining Support

[Question] We could even say that after the not always very successful attempts at bringing the so-called elite culture to the masses, we are now witnessing the renaissance of mass culture. What are the hopes for bringing the two closer together?

[Answer] Undeniably, the focus of mass demand has tended to be light entertainment. This has only been reinforced by our revenue oriented educational institutions. We cannot raise our hopes too high since culture is cost and return-sensitive, meaning that whenever the cost of cultural services goes up or the consumers' income goes down, there is also a corresponding decline in the demand for culture. We will continue to have to be mindful of this balance in the future, as subsidies for culture will be gradually reduced despite probable increases in the costs or expenses of cultural services and corresponding declines in the populace's income. If for no other reason, this is why independent associations need our support. We must take a more thorough look at the order and system of our educational institutions in order to be able to offset the unfavorable tendencies.

9379

**Social Safety Net in Trouble, Lack of Funds**  
25000426b Budapest NEPSZABADSAG in Hungarian  
23 May 87 p 3

[Article by Ibolya Balint: "Social Insurance, Care, Social Security"]

[Text] More than five and a half million people benefit in some way from social insurance in Hungary. There is hardly any stratum—moreover, most recently there is no such occupation at all—which would be excluded when it comes to decide who is entitled to get social insurance benefits and who is not. Data show that three quarters of those entitled use some of its services in connection with sickness, birth, retirement, perhaps accident, and who could enumerate what other events every year. The figures tell us many things. The social insurance administration of Budapest and Pest country alone is visited by 1200 clients a day. We all get in contact with social insurance at least once a year on the average. And the expression "all of us" has been a familiar phrase in social insurance matters for a couple of years now. That's why every year when the draft bill about the state budget is submitted to the National Assembly, the members of Parliament, responsible for millions of citizens, keep in mind how much the social insurance budget plans for the debit and credit column for the year.

For as much as one third of society, some type of social insurance program is the primary means of sustaining a living for varying lengths of time. Consequently, social insurance may be a significant factor in shaping the mood and general feeling of citizens, independently of the current economic situation. No wonder, therefore, that social insurance, i.e., its parts, are increasingly under focus.

Broad segments of the population are concerned about the questions related to social insurance allowances. It is understandable, since political and state resolutions made earlier about maintaining the standard of living have not been carried out completely. Day by day, we

feel in our pocket that real wages have decreased and the real value of several allowances have also declined. At the same time, the economic, social and employment structures have undergone such changes which necessitate newer and newer addenda for the 1975 social insurance bill as, based on their work, new and new strata are included in the group of insured. Progress has demanded new measures for new, unprecedented situations. What could be done? Attempts had to be made to incorporate new elements and features in social insurance, taking the responsibility for producing new resources that these required.

#### New Factors

Those concerned can have experienced that several measures have been taken in order to preserve the social safety net. It is so even if it is not always obvious for the superficial observer. For example, many have tempestuously attacked the measure according to which the basis for computing sickness benefit was income after the deduction of the retirement pension premium. It is true that this way the sickness benefit actually paid decreased by a few forints. Nevertheless, this unfavorable effect can be felt only in the case of very short illnesses or only at the beginning of long ones. Those who, unfortunately, have to be on sick leave for a longer period, enjoy a much more favorable situation than the one they would have before the new measure was introduced. The underlying idea was not to discourage people from resorting to sickness benefits by administrative means; this would not have made any sense. The goal was to create resources for the provision of sickness benefits for lengthy sick leaves, for prolonging the time covered by childcare benefits, and so on. Those who argue that to preserve the social safety net is the obligation of the state are right. Why does the state not guarantee the resources for services? But if they give it more thought it becomes clear: the economy is unable to create new resources now.

It is a goal of the social insurance administration to reduce the number of sick leave days. However, as it has already been mentioned, this cannot be achieved by administrative measures. It would be much more productive if the crowdedness of medical centers could be lessened and overburdened doctors' workload reduced so that they could diagnose the patients' conditions through a more thorough examination and could better consider who should go on sick leave and who can be effectively cured while going to work. And since human nature is fallible, a lot of people take advantage of these conditions. They claim to suffer from diseases which cannot actually be diagnosed during the few minutes the doctor has due to the above described circumstances. So just to be sure, to reassure his conscience, the doctor rather pulls out the sick leave form.

It is also true that it is not the doctor's concern how many people from his district go on sick leave and how many continue to work. In addition to the before mentioned necessary changes, the way to go in the future is to

form an adequate relationship of mutual interest and dependency between doctors and the social insurance administration which would guarantee that doctors providing basic medical care would handle insurance in an appropriate way.

#### The Value Decreases

It is also for the benefit of future generations that since recently the pregnancy and nursing allowance is payable for 24 weeks. This program was also criticized because it was computed on the same basis as the sickness benefit. True, this reduced the daily payment by about 20 forints, but it is paid for 24 weeks instead of 20. Expectant mothers use this extra time reasonably; they take it before giving birth so that they can adequately prepare for the big event and can protect themselves and their baby from possible complications resulting from working until the final day. Thus social insurance has created better circumstances.

All the developed countries of the world recognized quite early that social insurance has to take part in helping the replacement of the work force, that's why several of them dispense different types of help for families raising children. In neighboring Austria and in West Germany, family allowance is provided because of, as they put it, family policy considerations. Sweden introduced similar population policy measures in 1930, and France followed suit a little later. However, not so general is the form of supporting child rearing which our society has been getting acquainted with for almost two years now: the child raising allowance.

What was the purpose of introducing this allowance? The government, intent on carrying out its population policy program, wanted to avoid that families who undertake child raising be disadvantaged if they do not want to send their newborn baby to a nursery. Because, let's admit, the still existing childcare allowance, commonly called "gyes", is no longer able to satisfy the need it was created for as a unique initiative long ago. Having lost a substantial part of its value, it is merely a minimal income supplement and thus does not really help families. In 1985, the government's idea was to gradually extend the provision of the child raising allowance until the age of three and to eliminate the childcare allowance [gyes] during the 7th Five-Year Plan. But is that feasible? The economy's performance does not make it possible to provide the necessary resources out of state funds. Therefore, it seems to be the most suitable solution to continue the gyes, making it more advantageous as the financial situation permits.

It was mentioned several times that allowances have lost a substantial part of their real value. This is undoubtedly so. Only the family allowance seems to maintain a relatively constant level of support as a result of its dynamic increases. Now our socialist state attempts to take upon the largest possible share of the costs of child raising. However, as always, we again have to add that

financial assistance can increase only to the extent as we can provide the necessary resources for it. However, family allowance has to be maintained by all means. This is the allowance which assists families for the longest period of time, which reduces the difference in disposable income between large families, families with one or two children or with no children at all. The last time the amount of family allowance was increased was in April of the current year to offset to some extent the effects of price hikes.

To some extent. Different data show that the financial position of families with two children has become 15 percent weaker than that of childless families in the past five years. During the same period, the total of funds spent on family allowance has considerably increased. This was done not only because, as a result of progress, other strata than those employed by the state sector, has also become eligible. The question may be raised, why is family allowance not a right of citizens? The answer lies mainly in our socialist principles, according to which we consider work the basic condition of being entitled to social benefits. In our social system, however, only work can provide any acceptable level of living conditions. We know that there are strata on the margin of society who do not hold this principle. If they received family allowance as a citizen's right they would live on that, since it amounts to a substantial sum in the case of several children. However, by no means does it provide enough funds to sustain a family on a level acceptable for human beings.

Probably everybody noticed in recent years that the most comprehensive system of the creation of a social safety net, the social insurance system, is subject to constant changes. On the one hand, because to date it has covered almost the whole population in some form of service. On the other hand, because it has tried to create its own resources for its services. It is true that social insurance is basically a state responsibility under state direction. Accordingly, the state has contributed with 30, later with 20 and 10 billions of forints for long decades. It was in 1984, that for the first time premiums paid in actually covered expenses. Companies, cooperatives, other employers and employees are obliged by law to pay these premiums. It is obligatory so that we can build some reserves for a rainy day, like the self-help associations or the miners' associations used to do, i.e., to accumulate a basic fund we would be entitled to use based on our payments. Yet, what is the experience? That whoever can do it exempts himself from the payments but maintains his claim for the services.

Of course, state companies and employees cannot do so, as the premiums are automatically deducted from them. However, irresponsible private entrepreneurs can do it. Nobody should think that the deficit due to their irresponsibility is very small in proportion to the financial resources of social insurance. Data prove that this debt reaches one billion forints in Budapest alone. (For comparison: less than twice this amount was paid as total

childcare allowance in the whole country.) Last year yet another, new problem made social insurance financial matters even more difficult: insolvent economic units do not pay social insurance premiums, either. While sooner or later the debts of the private entrepreneurs in question can be collected with the help of the law, the problem of the latter requires more thought.

### Investigation of Problems

The investigation of the problems of social policy, and within that of social insurance, started years ago. The first difficulties to be challenged are those which affect the most people, that's why the overhaul of the retirement system was begun and awaits settlement. But what about the rest of the problems? Several billion forints would be needed every year to get our social benefit system in the black. We cannot afford that. We have to establish priorities and categorize things accordingly. The government thinks it is proper that entitlement to a substantial part of social insurance benefits continues to be geared to work. At the same time, more emphasis is undoubtedly put on allowances granted on the basis of need and benefits given on the basis of the assessment of individual cases. Still, it seems to be more useful to enforce the insurance side of social insurance, to create the possibility for a more independent financial management. As the national economy's revenue producing capacity and performance makes it possible, it would be worth thinking about whether all of the services provided now by social insurance really belong to its scope, or could some be categorized as benefits citizens are entitled to if they have a need for it? Which services would be these? It will become clear in the coming years.

It has to, since the goal of the investigations is to determine how social insurance laws can be made clearer, simpler and more articulate. Because it is a great thing to create a social safety net, but it is perhaps even greater to give people a sense of security. And the two go hand in hand.

13212

### KISZ Official Says Youth Not Part of Social Consensus

25000426a Budapest NEPSZABADSAG in Hungarian  
25 May 87 p 3

[Interview with Imre Nagy, Secretary of the KISZ CC, by Aranka Rehak: "The Action Is Over, the Process Is Not"]

[Text] The first phase of the Our Future Is at Stake! action ended at the end of April. We asked Imre Nagy, the secretary of the KISZ CC about the results and the future of the action.

[Question] Has the action met the expectations?

[Answer] Yes and no. One of our aims was to familiarize the youth with the economic situation of the country and the tasks it demands. I think we succeeded in that regard, despite the fact that the production reports, closing statements and other evaluation summaries then in progress painted the situation more rosy than we did. Our other aim was to win the youth for the November party resolution and to mobilize them for meaningful action, so that the KISZ's joining the resolution would not be a mere formality. Even though not to the same extent everywhere, but we were able to prove that the youth, the KISZ can act, too, not only talk. The efficiency-improving initiatives, the development of new systems of interestedness, the pledges of technological development and numerous pledges of voluntary work have all testified to it. For example, the KISZ members who work at the Nyiregyhaza AEV [Allami Epitoipari Vallalat (State Construction Enterprise)] offered the one million forint earned through contract community work to the company's management to spend it on computer technology. After a "brainstorming" day at the Szekszard branch of the MMG Automatics Works, they started implementing the suggestions of the younger employees, gaining a profit of over one and a half million forints. The other side of the coin is that the majority of organizations could not break with the traditional forms, and so, the action remained formal at many places.

[Question] The action was also intent on strengthening the notion of the KISZ as a political institution; with what result?

[Answer] The new attitude is forming, but no major change can be expected in a question of such a great importance, in such a short time. In all events, we want to continue and strengthen this process.

### The Most Productive Investment

"Our experiences show that the youth are very interested in our social and economic situation and problems, that they are searching for a way to change and improvement in a responsible and critical manner. They feel despair, apathy and intensified desire for action at the same time. There is a general need for a political program which takes into consideration the real situation and stimulates action." (Quotation from the draft of the document.)

[Question] It was said that the KISZ leaders would summarize and forward the incoming suggestions to the Central Committee of the party and the government. The draft of the document has been born and it is not restricted to seeking solutions strictly for the problems of the youth.

[Answer] The problems of the society and of the youth cannot be separated. Not only because the problems of the youth are unsolvable in themselves, but also because almost one half of the employed are under 35, and their proportion is even much more higher in occupations, requiring special and deep professional knowledge. In

addition, the decision we fail to make now, will, in a couple of years, demand even greater sacrifices from the youth of today. The burdens resulting from continual postponement will fall on the shoulders of today's young in the 90's and we do not want to take responsibility for that. "We, KISZ members, expect the party to give us unambiguous directions for action and the social and economic program that will show the way out of the present situation. Both on the local and national level, we wish to take part in making and subsequently implementing the decisions that determine our present and future."

[Question] How was this draft developed?

[Answer] The work committee of the KISZ Central Committee processed and summarized the proposals received from the county KISZ organizations. We requested the observations of our central committee members separately, and approximately two hundred letters came directly to the KISZ Central Committee. We did not try to cover everything, our purpose was not to give a comprehensive political program, but to help the party and the government in their program-making process by forwarding to them the observations of the youth. The proposal deliberately avoids insisting on the question of distribution, i.e., it expresses the need only for redistribution and not for more distribution. We made only one exception, in the field of education, which we feel can be the investment that is the most secure and would pay off most efficiently. I have to add that when we talk about education we do not think exclusively of the 6 to 24-year-old age group, but of the continuous education and enrichment of the knowledge of every Hungarian citizen through a lifetime.

[Question] What were the most frequent suggestions?

[Answer] In the field of economic policy, the elimination of existing contradictions, performance based wages, the further development of socialist ownership forms, to make it possible for market relationships to take effect, structural change and technological development.

### Fairer Distribution

"We take the initiative for the development of a government program for preparing the reception of the largest age groups entering the work force in the 90's."

[Question] Why is that urgent?

[Answer] Because a hundred thousand more youth will enter the work force at the beginning of the 90's than now. And it would not be good if the more efficient employment of the work force and the consistent implementation of the structural changes suffered because of the employment issues. That's why we suggested, among other things, that projects that can create new jobs be started. For example, for the poorly trained, whom are difficult to employ, we recommended the organization of

projects that efficiently develop an infrastructure without needing imports, like house, road, railroad and public utilities construction.

[Question] All the proposals related to social policy contain the idea that the support should be given to families and not to products or services.

[Answer] Indeed, because in the current social policy system support does not always get where it is most needed. For instance, guest houses are furnished with state subsidized children's furniture, and foreigners buy a lot of children's clothes because it is relatively inexpensive. Therefore, it would be better if funds used today as subsidies were given to those who need it—in the form of benefits in kind, when needed.

"We think that a feasible way to solve problems is not the modification of the present situation, but the creation of a radically new home management system which takes into consideration the current and future economic conditions. It is necessary to find new forms and ways especially for the acquisition of the first home."

[Question] I think it does not require an explanation why the KISZ addresses the housing question.

[Answer] I also think so, but I would add that a certain part of the youth today has less chance to acquire a home than it would be justified by the country's situation. According to our suggestions this problem requires complex solution spanning the whole process from construction to distribution. This is not simply a question of credits and benefits, because no matter what benefits the young get if that money is siphoned off by the inefficient construction industry. We think it would be a more favorable arrangement if capital investment in home construction were made more advantageous and institutions, factories and social organization also had the possibility to enter the home building business. And distribution should also be made fairer. For example, the state currently spends an enormous amount of money on rent subsidies—the state budget adds two forints to each rent forint—although more than half of those living in rented homes do not need it.

### Responsible Thoughts

"The decisive majority of Hungarian youth wishes to live in a democratic, modern socialist society which is based on performance, and provides security. Our goal is to create more material and spiritual wealth, a better and more meaningful life, greater social justice, broad political openness and democracy. We know that to create all this is the responsibility of the whole society, but we also know that it is unrealizable without the active participation of the youth. The domestic version of socialism needs to be radically modernized so that the socialist principles can be better implemented. Only this can bring about a basis for a new social consensus, which is

indispensable for progress. This can be reached through the significant broadening of publicity and the strengthening of the responsible social dialogue."

[Question] -Why was this statement expressing a desire for a general political movement included in the draft proposal?

[Answer] Today we have to talk politics with and have to win over those young people for whom socialism means what they have experienced around themselves in the past 7-8 years: a stagnating economy and increasing tensions. This is the age group which is not really a party to the social consensus yet. This generation, a depository of our future, can be won over only with clear goals and sincere, critical behavior.

[Question] What will happen to the draft?

[Answer] We forward it as promised. Before we do so, however, we publish it in our publications, then our central committee will discuss it in June.

[Question] With this, is the action over?

[Answer] The KISZ Central Committee will decide that at the June session. In any event, we do not want to let its spirit get lost, since to make that effective is not a short-term program. We have to step further, building on the results, on the new quality that has recently surfaced.

13212

## POLAND

### 10th PZPR Congress Appeals Commission Presidium Noted

26000072a Warsaw RZECZPOSPOLITA in Polish  
3-4 Oct 87 p 2

[Session of the Presidium of the 10th PZPR Congress Appeals Commission"—PAP report]

[Text] (C) On 2 October the Presidium of the 10th PZPR Congress Appeals Commission evaluated the actual state of the Commission's activities. The high proactivism of discrete territorial task forces was stressed. Chiefly owing to their intensive efforts, of the 684 appeals addressed to the 10th Congress at present only 35 most complicated ones still remain in the final stage of processing prior to their ultimate resolution.

The Presidium also considered the manner of resolution of 111 complaints and grievances addressed to the 10th PZPR Congress by both party and nonparty members. Three-fourths of these have already been resolved. The Presidium recommended expediting the work on settling the remaining complaints and grievances.

The Presidium's deliberations were chaired by Chairman of the Appeals Commission of the 10th PZPR Congress Kazimierz Barcikowski.

1386

**Kozakiewicz Discusses Departure From PRON Leadership**

26000070h Warsaw *POLITYKA* in Polish  
No 37, 12 Sep 87 p 3

[Interview with Professor Dr Mikolaj Kozakiewicz by Stanislaw Podemski: "Closer to the Exit Door"]

[Text] [Question] It is being openly said that you have been expelled from the leadership group of the PRON [Patriotic Movement for National Rebirth]. Is that true?

[Answer] No. No one has expelled me. I myself have resigned my candidacy. It has been considered slightly surprising that no attempts were made to prevent me from taking this step. I believe that some people feel relieved about it.... I certainly feel relieved.

[Question] Perhaps you felt offended because you were not asked to become a member of the Advisory Council [to the Council of State], which, in the opinion of, e.g., Dr Letowski, the editor of the Catholic 'LAD,' has deprived the PRON of its importance. Besides, he himself also did not become a member of the Advisory Council.

[Answer] I might as well be offended at Primate Glemp because he did not invite me to become part of the papal entourage. As for the relationship between the Advisory Council and the decline in the importance of the PRON, to which Dr M. Letowski referred, I believe that this decline had commenced long before the formation of the Council. Besides, that Council itself has so far been a rather nebulous body with undefined functions and powers. It embodies new intentions rather than being a new type of competences.

[Question] Even if we both took an oath that it is indeed as you say, few will believe it. The name Kozakiewicz is to very many people proof that the PRON can include independent, outspoken, and nonconformistically thinking individuals. It was you after all who, for example, put forward in an article in 'ZYCIE WARSZAWY' the right to a "prosocialist opposition" and were instrumental in causing more than one previously censored film to be finally shown to the public. Do not you think that your departure will be viewed as the defeat of such views? In my opinion, whether you intended it or not, you have dealt a grave blow to that organization [PRON].

[Answer] I was aware of the possibility of such rumors, insinuations, and commentaries. That is why, already 3 or 4 months prior to the [PRON] Congress, I had announced my intention to resign from the PRON leadership in numerous interviews (radio, 'EXPRESS

WIECZORNY,' 'KURIER POLSKI,' and also in the regional press), stressing that I don't intend to discontinue my activities and that I shall remain in the PRON as a rank-and-file activist and, as before, chairman of the film and debating clubs.

[Question] Isn't there an inconsistency to resigning from the leadership group yet remaining a member of the Movement?

[Answer] Well, if I had really been "thrown out" from the PRON National Council (as had happened to several others), do you think it normal of me to remain in the Movement?

[Question] Those others faced a fait accompli, whereas you had a choice.

[Answer] And precisely the choice I made confirms, I believe, the durability of the traits which you attribute to me. No, my views have not suffered a defeat; on the contrary, this is yet another affirmation of them. Were I an opportunist, I would have let myself be elected, and I might even have advanced to the top. But that would mean my agreeing to the continued promotion of the PRON in a form which I have often criticized publicly.

[Question] But by being part of the leadership group, you could exert greater influence on changing that form.

[Answer] I haven't had any influence on anything other than what I did myself (e.g., chairing the film club, the debating club, and a seminar of Commission for Moral Renewal). I did not want either to be a "puppet" (one-person) "opposition wing" in the PRON National Council, as I had been characterized several times by foreign press. I believe that my decision has cleared up many ambiguities and seeming contradictions. Now I can speak, act, and be morally responsible for myself alone. My continued participation in the PRON National Council would merely distort both the actual picture of that council and my own public image. I did not intend to deal any "blow" to the Movement; perhaps rather I only intended to prompt it to consider the consequences of continuing on its present road of smugness and self-complacency. Though, of course, I am deluding myself.

[Question] I attended the deliberations of the PRON Congress. I heard and saw many brave individuals boldly and sharply advocate further reforms in deeds rather than in words. I will not be able to accompany them, but you have abandoned them!

[Answer] Excuse me, I have not abandoned them! To use military terminology (as a hundred-percent civilian, I have a weakness for it), I have resigned from participation in the command, removed the stars from my epaulets, and will fight alongside them as a private (like a guerrilla as well). The PRON has never been short of

bold and sharp comments and astute and farsighted reform proposals, but it has lacked courage in pursuing them as well as sufficient power to force them through.

[Question] I agree that many documents expressing the opinions of the PRON have not been accepted by the authorities and have remained wishful thinking, and often have not even been made known to the public. Let me merely mention the Movement's opposition to the repressive Decree of May 1985 or to the revisions of the Decree on Higher Schools. But you will agree that the program adopted by the Second Congress contains planks which are truly worth fighting for. Let me mention them: relaxation of the law on associations, so as to make possible their unobstructed formation; greater control by the Supreme Administrative Court over previously uncontrolled decisions of the authorities; or a further, democratic reform of electoral laws. If people like you are gone from the Movement, who will support the resolutions of the Congress? They may remain on paper only.

[Answer] I have already earlier written a lot about the causes of the weakness of the PRON and do not wish to repeat myself. The program of the Second Congress is good, to be sure, but the program of the First Congress was just as good. We know how to write good programs of action and perhaps even someone has compiled a list of them, but what matters is their implementation. The more ambitious a program of action is, the greater the power needed to translate it into reality. The opponents of reforms have learned that various bold program planks need not be combatted at any price (insofar as they do not break the actual taboos), that it is enough to delay, deform, and block them in the stage of implementation. They are expert at it!

[Question] But Professor, sir, it remains a fact that the two basic points of the program of the First Congress — the decrees on the referendum and on the citizens' rights spokesman, have already been implemented. The first can be found in 'DZIENNIK USTAW,' No 14, 1987, and the second has passed its first reading at the Sejm.

[Answer] Already implemented or only beginning to be implemented? Don't forget that the First Congress was held in May 1983, and this is September 1987!

[Question] Let me repeat that part of my question which you have not answered yet. If the Movement lacks people like you, who will support the resolutions of the Congress?

[Answer] People like I don't "support resolutions"; they fight for issues that matter most of them, issues that sometimes are and sometimes are not mentioned in resolutions. Let me assure you that there will be no shortage of those who "support resolutions," but nevertheless (or perhaps precisely because of this), they often either remain only on paper or are implemented in a make-believe manner.

[Question] My thesis is such: any organizational form is good if it allows public activism. Don't you share this opinion? Of course, as a Sejm Deputy and ZSL [United Peasant Party] member you have other possibilities outside the PRON.

[Answer] I don't share fully your opinion. Chiefly because not every organizational form makes possible the kind of activity that a man desires. Moreover, there already exist "public domains" that are too restricted, checkered, and recrossed, or dominated to such an extent that they become private domains. Thus, for at least 2 years now I have been attending only meetings and sessions of not more than 20 or 30 persons. In a group of 200 to 400 and more persons it is possible to celebrate mass but not to think and act. And it is more than 50 years since I have been an altar boy.

[Question] What do you think of the prospects of the PRON? Your book, which Ludowa Spoldzielnia Wydawnicza Press is going to issue any day now, contains articles and texts of the interviews you have granted. I don't have a copy of it yet, but I believe it to be a historical work. Do you yourself perceive a continuity to exist between what you had written and said at the time and what you are saying and doing nowadays?

[Answer] Excuse me, but now that I have left the PRON national council, I would rather not answer the first part of your question. My book, "Co smiem sadzic?" [What I Dare To Believe], which is nearly 500 pages long, contains my articles, speeches, interviews, etc. from the years 1980-1985. Only about one-third of that book deals with the PRON and national reconciliation, and that part is indeed already historical, as it chiefly presents a record of unfulfilled expectations and hopes, some of which may have been fulfilled only very partially. Since, however, the remaining two-thirds of the book deal with other topics (youth, the school system, the church, social sciences, the family, etc.) I can speak of a definite continuity of my public activities. My tendency to raise topics that have at various times been taboo or to propose at one time or another "heretical" solutions is a continuing tendency. I believe that the contents of that book still remain topical. In that book you will find, among other thing, my response following the first PRON Congress, when I did not agree to be a candidate to the Presidium. I descended "a floor lower" (to the National Council) and placed myself closer to the "exit door." And after the Second Congress I took another step. Is this not a proof of the "continuity" you are asking about?

[Question] Thank you for the interview.

1386

**Lack of Memoirs, Archival Access Decried**  
*26000070e Warsaw POLITYKA in Polish*  
*No 36, 5 Sep 87 p 2*

[Quoted from an interview with Prof Dr Marian M. Drozdowski, historian, by Halina Retkowska in WIECZOR WYBRZEZA, 31 Jul-2 Aug 87]

[Excerpts] [Answer] The state of our memoir-writing cries out to the heavens. An overwhelming majority of individuals who played a major role in our political life, and in shaping Polish-Soviet relations as well, have left us no memoirs. Stanislaw Mikolajczyk did write his memoir, but his archives are at the Hoover Institute and are yet to be published. Neither have been published the archives of the entire political leadership of the Second Republic, beginning with the archives of Jozef Pilsudski.... There are no archives of Boleslaw Bierut, Jozef Cyrankiewicz, Wladyslaw Gomulka, and many others.... Their reminiscences do not exist either, and yet, were such accounts to be published, we could eliminate many white spots on the map of our modern history.

[Question] What do you think, why are our politicians so reluctant to write their memoirs?

[Answer] Perhaps I am too blunt, but it seems to me that they lack civil courage...

1386

**'Party Machine' Role, History Reconsidered**  
26000071a Warsaw PERSPEKTYWY in Polish  
No 32, 7 Aug 87 pp 13, 14

[Interview with Prof. Edward Erazmus, PZPR CC Academy of Social Sciences, by Zygmunt Rola: "Speak Loudly, Inform Rapidly" under the rubric "PERSPEKTYWA Interviews"]

[Text] Speaking loudly about what matters and is significant in public life and informing the public rapidly about issues of major concern to it are important tasks of propaganda and information policy. One such topic is the operation of the party apparatus. We interviewed on this topic Prof Dr Edward Erazmus of the Academy of Social Sciences under the PZPR Central Committee.

[Question] The party apparatus—is that nowadays a taboo topic?

[Answer] Taboo?! Well, perhaps only to those political groups and milieux which would prefer not to discuss such sensitive topics or mention them only now and then. Prior to the Ninth Extraordinary PZPR Congress the party apparatus was the subject of front-page newspaper articles, and it was discussed in party meetings and party documents. At present this topic lies in the center of attention of all the communist parties in the socialist countries, from China and Vietnam to Cuba. To be sure, it is not often raised in the mass media and party training programs, although sometimes it is considered in periodicals on theory and book publications. At any rate, the apparatus has ceased to be a taboo topic, like many other aspects of intraparty life as well.

[Question] If that is so, what are the reasons for the hypersensitivity of certain functionaries of that apparatus to any mention of them?

[Answer] The reasons for this hypersensitivity are several. One reason is connected to the history of the stabilization of power. The apparatus began to become strongly stabilized and at the same time located within the party as a prime mover of the working class. Hence, any criticism could be and was viewed as an attempt to undermine its position under the guise of questioning the party's leading role. Another reason is psychological, I would say; the apparatus is a separate team of people appointed to organize party life and hence it bears a special feeling of responsibility for party life. It also garners credit, and any criticism of it is treated as being aimed at its eminent political—and at one time, now no longer, also material—position. And well, the third reason is that owing to the adoption, years ago, of the model of a party that is responsible for everything as an organization that builds socialism for the working class but not together with the people, there had arisen a feeling of hyperresponsibility for everything, including things that agencies of the state, and especially the economic administration, should actually be responsible for. The apparatus as a professional group within the party began to "free" itself of control by party authorities and party members, while at the same time subordinating itself to and identifying itself with the interests of the state administration.

[Question] And the contemporary reasons?

[Answer] All the factors I mentioned above have not yet been overcome. The process of the de-Stalinization of communist parties is not over yet, although much has changed and continues to change in that domain. This is happening at a time when many duties rest on the shoulders of the apparatus: it has to serve party organizations, that is, help them, inspire them, and listen to their opinions, but it also has the obligation of serving the party echelons, that is, the party leadership. Serving these superiors, which at times means being at their disposal, often conflicts with serving the party and the working class. Hence some vacillation of that apparatus, its absorption in its own problems, and, what is most dangerous in its consequences, its unresponsiveness to [rank-and-file] party members (and even to POP's [basic party organizations]), who (and which) are thus restricted in executing their statutory duties. Many of the people working for the apparatus are wise and devoted to the party and socialism; such besides are the criteria for their selection. When, however, structures are rigidly defined and left unchanged for many years, and when the place of each and all is precisely defined, the members of the apparatus often opt for doing whatever the superiors [the party leadership] want them to do.

[Question] Let us finally define more clearly the nature of that party apparatus.

[Answer] When the matter is considered from the standpoint of the logic of Polish language, we apply the term apparatus to a group of individuals set aside deliberately and by profession for carrying out party tasks and

obligated to cooperate in implementing the party's goals. To put it more plainly, some people classify staff members of party echelons as belonging to the apparat, while others view this more broadly and also classify as belonging to the apparat those individuals who have received their mandate in elections and transferred to professional work within the party. Others still include in the apparat anyone who in any way participates in shaping, taking, and disseminating the party's decision. In this last sense, the employees of party publications and journalists also belong to the party apparat.

[Question] At the Fourth PZPR Central Committee Plenum it was said, among other things, that at times the apparat "preempts" the basic party organizations, that it lies outside the competences of electoral bodies, commissions, and consultative teams, and that it weakens the bonds between the POP's and party echelons, whose style of work is of the "armchair" kind...

[Answer] This is being often mentioned at plenary sessions of the Central Committee, more or less with annoyance. It is true that the apparat—like any other administrative machinery—is prone to "armchair" decisionmaking, to doling out information in carefully proportioned doses, and to selecting members of, e.g., problem taskforces not according to their real worth but according to their skill at rapidly resolving various matters. A director with access to information who can provide every time it on demand is better than someone lacking these possibilities who instead is discursive, has doubts, and views everything at a distance. If individuals having that latter mentality can be selected as fellow workers, working is more peaceful.

[Question] POP secretaries, as was also mentioned at the Fourth Plenum, complain that at the party committee they are treated like petitioners for whom one often has no time....

[Answer] If people at the party committee take "headquarters-staff" decisions, anyone who comes to them "straight from real life" with particular and often complicated problems is simply a pest to them. This shortcoming in the work of our party echelons has been observed for years, ever since 1948. But I would like to justify this somehow. So long as the command-economy system and production relations based on centralist-bureaucratic planning continue, any administrative machinery is bound to select its personnel according to pragmatic criteria [as published], and allocate and control unilaterally from the top. The change in production relations that is predicted to occur in this country in the course of the economic reform, and that also is being introduced in the Soviet Union under the perestroika program, may relieve the apparat and the party of their quotidian custom of intervening [into everything]. If, however, the dogma that the party is responsible for everything—for good and ill, for anything that happens everywhere, including plants and factories—continues to apply, then the process of relieving the party apparat of

the ballast of such [interventionist] tasks will be harder. Let us bear in mind in this connection that unnatural and at times difficult situations prompt decisionmaking in "headquarters" style, condemning to it not only the apparat but also the party echelons and authorities.

[Question] Do you mean to say thereby that the party apparat is responsible for the deviations noted in party history in the immediate postwar years?

[Answer] No. The responsibility for these deviations is borne by the party. That is why I don't share the opinion proclaimed prior to the Ninth Extraordinary Congress that "the party was good but the leadership bad." A responsibility that is proportional to "merits" also rests on the leadership at all levels, and not only on the central leadership, and hence a large group of people, from the POP executive boards to the Politburo itself, bears the burden of that responsibility. Of course, no one will relieve the party apparat of the responsibility, for it does not merely execute the recommendations of its superiors.

[Question] What then is the role played by the party apparat?

[Answer] First, it is always present in party work, and in its principal elements at that. Second, it tremendously influences decisionmaking. After all, it is the apparat that prepares the paperwork, proposes members of the party aktiv, nominates members of problem taskforces, issues personnel evaluations, is involved in honors for particular services and in the "cooling" of the climate around members, and takes part in the selection of the leadership cadres. Hence the great role of the party apparat. Its sensitivity and responsibility are bound to be even greater.

[Question] Nowadays I see that some young people like to emulate old models....

[Answer] It happens that former party activists who religiously follow the party statute and program often rapidly forget their proclaimed views once they find work within a party echelon. They are those new people employing old methods to whom Jaruzelski referred at the 10th Congress. Well, and if moreover these young people are the offspring of the old "establishment," they find it natural to copy the old methods of their fathers. Nearly from the cradle or from the moment they begin to be active in a school student body government, they find that if a man does not know how to bend his neck, the path to a career is closed to him, whereas if he bends his neck, he is liked by his superiors and receives honors, material ones as well. This creates habits. If such an individual happens to become part of the party apparat, he introduces such models of conduct there and really has nothing to learn. The current difficult situation promotes, on one hand, such conduct and, on the other, provides a warning to those who forget rapidly the consequences of such conduct.

[Question] And there is no remedy for it?

[Answer] It is being explored in the socialist countries. We continually ponder, for example, how to implement fully the principle of the openness [glasnost] in political life, the conduct of the apparat, decisionmaking mechanisms, criteria for the selection of personnel and aktiv, and honoring and punishing people. The system of party rewards and penalties is being refined. For when a party member becomes relieved of his post owing to a poor performance of the enterprise he works in and low labor productivity, he is transferred to a post abroad and, at his departure, decorated and honored. It is thus hardly surprising that such occurrences upset people. Methods of criticism and self-criticism also should be introduced in the apparat and their directions regulated. For what actually happens is that an apparat worker can criticize and evaluate party organizations and members, whereas the converse is rarely true. Moreover, party members are not inclined toward criticism and self-criticism. The resulting damage—to the apparat, to the party, to the society—is obvious.

[Question] What are the possibilities for eliminating these shortcomings?

[Answer] I have already named some of them. The main possibilities are harbored in production relations, etc., while secondary possibilities exist within the party. But in general I don't think that this can be a completely successful operation. Every government administration and every administrative machinery tends to become autonomous, acquire an existence of its own, and get professionalized and compartmentalized. This is an immutable law. What matters is that such tendencies be perceived and publicized in order to nip deformations in the bud and in connection with the aspirations of the working class; meaning that such tendencies should be mentioned in newspapers and intellectual journals while they are still nascent rather than only after the collapse of yet another surge of social discontent, and the onset of yet another crisis. Arbitrary behavior is an enemy of theory and practice; there is a need for resolute action by the party, for relations of partnership, and for a day-by-day elimination of errors whenever they occur, regardless of the level of political power at which they occur.

1386

#### **Party Training Tasks Noted**

26000072b Warsaw TRYBUNA LUDU in Polish  
9 Oct 87 p 9

[Article by (om): "Toward an Education in Economics: New Party Training Year"]

[Text] The new academic year for political training is commencing within Warsaw's party organization. This also represents the second season of the introduction of

a modified system which presupposes that, among other things, every PZPR member should participate in at least two of the proposed forms of party training.

In addition to the four annual training meetings binding upon every party member, this may include exercises at various levels of ideological initiation [as published]—from aktiv schools to the Evening University of Marxism-Leninism.

As we learn from Zbigniew Olesinski, the head of the Warsaw Center for Ideological Training (WOKI), the number of party members in Warsaw Voivodship who will participate this year in all these forms of training is much higher than a year ago. For example, about 600 ideological training taskforces, designed chiefly for new participants, are being organized, chiefly at work establishments. Schools of worker and peasant aktiv have become highly popular — their number will exceed 100. As for ideological seminars, which require of their participants advanced political knowledge and experience, their number will decline somewhat, because they operate in the nature of autodidactic disputes.

WOKI is currently certifying new lecturers—each year the requirements posed in this field by both organizers and training participants are becoming higher.

The program for this year's training will be dominated by subjects serving to disseminate the achievements of the 10th PZPR Congress, with special consideration of education in economics, particularly in the aspects of economics relating to the application of the second stage of the economic reform.

Technology will be used to a greater extent than previously, in the form of audiovisual instructional aids as well as, e.g., personal computers. A course in basics of computer servicing has been added to the curriculum of the Evening University of Marxism-Leninism, where enrollment this year will exceed 1,000.

1386

#### **Party Ranks Grow Among Young Soldiers**

26000072c Warsaw ZYCIE WARSZAWY in Polish  
No 20, 7 Oct 87 p 6

[Article by Waldemar Dlugolecki, Air Force Engineering School: "Young Soldiers Enroll in the Party"]

[Text] Recently, as part of the celebration of Days of the Air Force Pacesetter, an unusual ceremony was held in the Tradition Hall of the Michal Wojtowicz Air Force Engineering School in Zamosc. During a meeting between party-youth aktiv and the Executive Board of the School's Party Committee and the ZSMP [Union of Polish Socialist Youth] School Board, 41 ZSMP-member servicemen were handed PZPR candidate-member ID cards.

This ceremony was the culmination of the pledge adopted last spring by the school youth organization that in the course of the training period every ZSMP circle would groom at least two of its most outstanding members for admission to the ranks of the PZPR. The circles fulfilled their pledges richly. This was facilitated by close cooperation with the basic party organizations of the subunits and training cycles. Joint agitation work with training pacesetters and the social aktiv enriched the party's ranks with new enthusiastic young members beginning their military service. Their proactivism and enthusiasm will bear fruit in the work with Air Force units.

The candidate-member ID cards were handed out by First Secretary of the Party Committee at the Air Force Engineering School Comrade Wacław Kita. He also distributed gift books to the leading new candidate members, who included the comrades Andrzej Rusek, Paweł Drzewiecki, Artur Strzepka, Artur Pilipczuk, Zbigniew Kulesza, and Przemysław Puzio.

The Secretary also wished the newly admitted candidate members fruitful party work, successes in further service and work, and successes in personal life. Following the ceremony in the Tradition Hall the Chief of the Political Department at the Air Force Engineering School Comrade Ryszard Huss invited all those present to a social gathering with coffee and pastry during which experience in party work was exchanged and comments and observations were shared. Toward the end of the gathering Comrade Huss conveyed on behalf of himself and the School Administration congratulations and best wishes for successful service to the newly admitted candidate members.

A similar ceremony was held a few days previously at the basic party organization of the subunit commanded by Officer Marian Kusztal, for servicemen who had previously completed a training period at the Air Force Engineering School. Eleven PZPR candidate-member ID cards were given out. Lastly, the basic party organization at the Officer Candidate School, on the eve of solemn promotion to the rank of Ensign First Class, PZPR candidate-member ID cards were handed to 15 young ensigns commencing their professional military service in People's Polish Air Force.

1386

#### **Journalists, Military District Chief Meet**

26000070g Gdansk GŁOS WYBRZEŻA in Polish  
19-20 Sep 87 p 2

[Unattributed article: "Journalists Meet With POW (Pomeranian Military District) Command"]

[Text] At the J. Bem Higher Officer School of Missile and Artillery Troops in Toruń was held yesterday a meeting of press, radio, and TV reporters from northern Poland and members of the Club of Military and

Defense Reporters, PRL [Polish People's Republic] Journalists Union. Participating in the meeting was Deputy Commander of the Pomeranian Military District and Chief of the POW Political Directorate Colonel Edward Kijek.

1386

#### **'Book Days' Focus on October Revolution, Referendum**

26000070f Warsaw RZECZPOSPOLITA in Polish  
27 Oct 87 p 4

[Article by (wl): "Rich Program of 'Days of the Sociopolitical Book'"]

[Text] (Own information) (C) After 21 years it is by now a tradition for the period between 20 and 30 November to be the "Days of the Sociopolitical Book." The topic this year is "Man—The World—Politics" and coincides with an unusually important period of sociopolitical events in this country, including discussions prior to the referendum as well as anniversaries pertinent to our history—the Great October Revolution and the rise of the Land of the Soviets. These topics will dominate the program for the "Days."

It is expected that Dom Książki bookstores will display a broad range of publications dealing with the principal aspects of our reality. There will also be exhibitions, book fairs, meetings with authors, reader contests, and popular-scientific seminars and sessions. Many of the exhibitions and fairs of sociopolitical books will be organized in large work establishments and in schools.

The nationwide "Days" will be officially inaugurated in Toruń on 19 November.

1386

#### **POP Writers, Sadowski at Open Meeting**

26000070c Warsaw RZECZPOSPOLITA in Polish  
31 Oct-1 Nov 87 p 2

[Chronicle: "Meeting of Warsaw's POP Writers"]

[Text] In the presence of Deputy Minister Professor Z. Sadowski was held an open meeting of writers from Warsaw's basic party organizations [POP's]. The functioning of culture during the second stage of the economic reform was discussed.

The deliberations were attended by Deputy Director of the Cultural Department of the PZPR Central Committee Z. Domino.

1386

**Polish National Catholic Church Recognized**

26000070a Warsaw TRYBUNA LUDU in Polish  
5-6 Sep 87 p 2

["New Right of the Polish Catholic Church in the the PRL [Polish People's Republic]"—PAP report]

[Text] On 4 September the Director of the Office for Religions Minister Wladyslaw Loranc conveyed to First Bishop Tadeusz R. Majewski the decision of the state authorities recognizing the basic right of the Polish Catholic Church in the PRL [Polish People's Republic], voted by its Eighth National Synod. The meeting was also attended by Bishop Jerzy Szotmiller, Ordinary of the Krakow Diocese; Bishop Wieslaw Skolucki, Ordinary of the Wroclaw Diocese; Bishop Wiktor Wysoczanski, Coadjutor of the Warsaw Diocese; and Auxiliary Bishop of the Wroclaw Diocese, Zygmunt Koralewski.

1386

**Orthodox Church Relations Discussed**

26000070b Warsaw TRYBUNA LUDU in Polish  
5-6 Sep 87 p 2

["Problems of the Polish Autocephalous Orthodox Church"—PAP report]

[Text] The Director of the Office for Religions Minister Wladyslaw Loranc met with Archbishop Bazyli, Orthodox Metropolitan of Warsaw and All Poland. Relations between the state and the Polish Autocephalous Orthodox Church were discussed, along with the conditions for strengthening and developing the positive state of these relations. Archbishop Bazyli discussed the coming visits to Poland by the Ecumenical Patriarch of Constantinople Demetrios I and by the Bulgarian Patriarch Maxim.

1386

**Bavarian Lutheran Bishop Visits**

26000070d Warsaw RZECZPOSPOLITA in Polish  
31 Oct-1 Nov 87 p 2

[Chronicle: "Meeting at Office for Religions"]

[Text] At the Office for Religions Minister Wladyslaw Loranc received Bishop Dr Johannes Hanselmann, president of the World Lutheran Federation and well-known activist of the Lutheran church in Bavaria.

1386

**ROMANIA**

**Outline of Novel in Progress on Recent Changes in Transylvania**

27000040 Bucharest LUCEAFARUL in Romanian  
5 Dec 87 p 3

[Article by Radu Anton Roman: "I Return to Transylvania"]

[Text] Two people, mother and son, looking for self-realization, to find solutions to the problems of life in a small town in Transylvania at the beginning of the eighth decade, this century. That's just about how I would summarize the plot of a novel I have been toiling on—the word is not an exaggeration—for the past two winters. The Transylvania I knew up until about 20 years ago, that is, at the midpoint of my life, was made to disappear in the meantime suddenly and without the possibility of return.

The world of my adolescence, beautiful sights and ideas, an original outlook, old architecture were all replaced by something else unexpectedly and without a transition period. Overnight, people from all corners of the land became inhabitants of this Transylvanian city, now transformed into a construction site. What happened then seems to me, from a literary point of view, a unique experience. I also believe that for a writer, this is an opportunity to witness and record the days we are now living.

This is not an easy thing to do because none of my sketches and outlines proved any good. Though my subject matter seemed to me straightforward and what I wanted to say seemed to me clear, I had to start over several times and threw out tens and even hundreds of pages. I even ask myself sometimes if I'll ever be able to write this book. Because, actually, nothing obvious or spectacular happens in it. Suddenly, however, people so very different meet and must live together, coming from backgrounds so different that they are strangers to each other for a long time. Who will assimilate whom? How and at what price? Who will remain on the sidelines? All of these matters are to be combined into a pure, artistic whole which must not in any way stumble on the sharp and heavy rocks of the social novel.

Many times I thought about giving up. To go back to an old project, a saga on the Delta, a book which, for better or worse, would be a sure thing. But I couldn't. I did not feel only cowardly as if before a mountain hard to climb, or only wrong in the face of a subject so rich that I would be wasting a unique treasure put in my trust—I felt especially frustrated by the very possibility itself, certainly the greatest until now. If I am to lose, I'll lose, I think, a game whose stakes are the highest.

The argument of my book? I am, accordingly, witness to some troubled happenings entirely out of the ordinary which, as human experiences, seem to me unique. The

Romanian writer of today who will not be ready to talk about his times at some point, will prove to be lacking not only in intuition but also in talent. Because talent—though I think this has been said before—means not to allow oneself to be deluded by the adroitness of certain small texts or of certain small tales banished into proto-history, while the world is changing around you.

## YUGOSLAVIA

### Ljubljana Firm's Advertising Campaign Criticized

28000048 [Editorial Report] Belgrade NOVE OMLADINSKE NOVINE in Serbo-Croatian 15 Nov 87 p 7 criticizes a Slovenian advertising agency, "Delo" of Ljubljana, for its differentiated marketing approach in a recent Yugoslavia-wide advertising campaign for Unior tool sets. The Ljubljana agency developed one television commercial for showing in "Zone B," the former possessions of the Ottoman empire, in which two well-known

comedians appear to be drowning in a full bathtub while shouting tasteless slogans. For "Zone A," the former possessions of the Austro-Hungarian empire, the comparable commercial shows a woman's hand passing a Unior tool to a man's hand, which passes back a rose. The commentary concludes, with echoes of other recent instances of intraethnic sniping: "The people at 'Delo' simply thought that 'Zone A' deserved a nicer and more subtle commercial than 'Zone B,' which in their opinion is not far removed from plows and oxen. Here again we encounter the thesis about civilized Austro-Hungary and uncivilized Turkey. Perhaps all of this would have passed unnoticed if the idea had not won a prize! The jury members and 'Delo' employees, by their actions, have said more about their own lack of culture than about anybody else's. What misery, what bigotry! To gauge our level of development by the level of enlightenment among our centuries-long oppressors!"

/06662

## ROMANIA

### Providing Medical Care for Territorial Defense Forces

27000023a Bucharest REVISTA SANITARA MILITARA in Romanian No 2, Apr-Jun 87 pp 113-119

[Article by Gheorghe Cosovei, Ion Dragusin: "Medical Support of Territorial Defense Forces"]

[Text] The complex problems of medical support in operations and combat can be solved under the conditions of modern warfare only by concentrating all the forces and resources of the region concerned on administering medical assistance to the sick and the wounded and on evacuating them to specialized medical formations in the area.

Territorial medical support as a component element of territorial defense is provided in a unified structure and is administered in accordance with a single concept. Attainment of maximum efficiency in medical care requires peacetime organization and assignment of the human and material resources required for the various defense alternatives. The organization of medical support forces and resources is based on the component elements of territorial defense, which generally correspond to the geographic area of districts or communities.

Medical support at the territorial level is also especially important in peacetime, in intervention during natural disasters. Organization of medical assistance in such cases is also useful for territorial defense purposes, while exercises simulating natural disasters or calamities represent means of practical verification and improvement in medical support plans at the territorial level.

Proceeding from the unquestionable truth that construction of a comprehensively developed socialist society and advancement of Romania toward communism can be accomplished only in a climate of calm and security, our party devotes particular attention to the problems of national defense. To attain this desideratum, a political and military concept specific to present-day Romanian military doctrine has been evolved, on a new, scientific basis. It is the result of application of the findings of an analysis of a people's war under specific conditions to the sociopolitical and military realities of socialist Romania. This is the concept of war of the entire people, Comrade Nicolae Ceausescu being the preeminent creator of this concept. Generalizing Romanian military thought in the light of the ideas of dialectical and historical materialism concerning the decisive role of the masses in shaping history, drawing on the storehouse of glorious battle traditions of the Romanian people, taking as its basis evaluation of the economic, political, demographic, and moral factors of our society, as well as the requirements of contemporary military science and practice, and thoroughly analyzing the constantly deteriorating international situation, current Romanian military doctrine integrates into a unified whole the concepts,

theses, principles, and solutions applicable to mobilization of human and material resources, to preparation of all the resources of the country for repelling any aggressor and to defense of the achievements of the revolution, the independence, sovereignty, and territorial integrity of our socialist homeland.

A landmark in this connection is represented by addition to Romanian military doctrine of the thesis of territorial defense. This is a concept with numerous implications in strengthening the country's defensive capability; it involves systematic combination of a number of components defining it as a subsystem of the highest importance within the framework of the national defense system.

The composition of territorial defense includes categories of forces, territorial economic and logistic resources, economic facilities, industrial communities and centers, local territorial civil engineering works and other facilities, and zones which ensure the possibility of conducting various types of military, economic, psychological, and civil defense operations, armed and unarmed resistance, etc.

A brief look back at the past struggles of the Romanian people reveals our traditions in this area, while the modern and contemporary history of Romania eloquently attests to the continuing of territorial defense elements in the indigenous system of defense. The development of fortresses and fortifications over a long period, the institution of temporary or semi-permanent territorial fighting forces, the territorial dispersal of the material resources necessary for sustaining the military effort, and the participation in combat at the local and regional level by the population in support of the army are only some of the elements of our territorial defense tradition which are used at a higher level in present-day military doctrine, after being adapted to the tasks of current territorial defense.

Analysis of the armed conflicts that have occurred since World War II, especially in recent years, in which military forces outfitted with modern weapons have faced each other, has shown that current wars are characterized by considerable losses of human and material resources, including medical resources. Battles and operations are no longer carried out exclusively in areas and sectors in which small and large military units face each other. As a result of employment of special forces (landing forces and airborne troops, sabotage and terrorist formations, commando teams, etc) and air strikes using modern weapons, including mass destruction weapons, the territories of the belligerent countries can be affected over their entire depth, to the extent of blurring the distinctions between front and rear areas, with virtually every part of the territory becoming a battleground. Consequently, a country which has been attacked will

have a prospect of victory only to the extent that it prepares itself in advance to cope with a "front everywhere" by means of a comprehensive commensurate response.

This reality confirms the thesis of the Romanian national doctrine concerning the role of communities in the national defense system, the need for "every locality, every enterprise, every agricultural unit, and in general every economic and social unit to be a strong fortress, a mighty redoubt ensuring in all circumstances both conduct of production activities and defense of our revolutionary accomplishments and the independence of the country" (footnote) (Nicolae Ceausescu, "Romania pe drumul construirii societati socialiste multilateral dezvoltate" [Romania on the Way to Construction of a Comprehensively Developed Socialist Society], Vol 25, Editura Politica, Bucharest, 1984, p 342].

The complex problems of medical support under modern battlefield conditions can be solved only by concentrating all forces and resources in the territory involved to aid in rendering medical assistance to the sick and wounded and in evacuating them to the nearest specialized medical formations.

Territorial medical support, as a component of territorial defense, is provided in a unified structure and is conducted in accordance with a unified concept. For the support to be as effective as possible, it must be organized in peacetime, with the human and material resources corresponding to the various defense assumptions allocated for this purpose.

Medical support resources are organized on the basis of the component elements of territorial defense, which generally coincide with the area of districts or communities.

Consideration may also be given to more comprehensive subdivisions based on geographic and military (strategic, operational-tactical) criteria. Such subdivisions incorporate, as required, the territory of several districts or zones of operations around especially important installations, along with the medical forces and resources available in these areas.

Territorial medical support is an especially important mission in peacetime as well; the missions performed by medical units are highly complex, and to a great extent they resemble those in modern warfare, as for example in the case of medical support in rendering aid in the event of disasters or catastrophes.

Medical aid measures and means in disasters or catastrophes also make direct use of the territorial defense system in areas in which emergency aid plans have been drawn up. For example, the exercises simulating disasters or catastrophes also represent methods of practical verification and improvement of plans for territorial medical support.

The territorial defense forces which contribute to medical support include the medical units present at the local level and the remainder of the able-bodied population not employed in other elements of the national defense system. From the viewpoint of medical assistance, both in the event of disasters or catastrophes and in the event of combat operations conducted in a modern war, we are faced with the prospect of a large number of victims flowing into the system in a short period. This mass influx of wounded, many of whom have suffered multiple injuries, exceeds the medical support capability of the medical units.

The major destruction occurring in a zone suffering a disaster reduces the hospitalization capacity of the medical units, disorganizes routes of communication, hampers the movements of rescue and evacuation detachments, and delays the operations of rendering first aid and evacuation to specialized medical installations in the area.

For these reasons, the danger exists of loss of a large number of wounded and sick from complications resulting from delay in rendering medical aid.

Under conditions such as these, the only way to increase the efficiency of medical support is to train the entire population in knowledge and prompt and correct application of ways and means of individual protection and in rendering medical first aid. Law No 3/1978 provides that "all citizens, starting at school age, will learn how to render first aid." We believe that there should be thorough knowledge of techniques of vital importance which when promptly applied make possible the survival of an accident victim or wounded person, as for example loosening the clothing, administration of a suitable antidote to a deadly poison, clearing obstructions from the respiratory passages, stopping bleeding, immobilization of fractures, cardiorespiratory resuscitation, moving different categories of wounded, etc.

The territorial medical support forces include the Red Cross medical groups organized in all socialist units in accordance with Decree 561/1976; Patriotic Guards medical units; youth detachments for defense of the country trained to administer first aid and care for and move the wounded; civil defense medical units (battalions, companies, platoons) of economic organizations, residential neighborhoods, cities, and communes; the medical units of the Ministry of Health remaining in the area; the medical units organized on the basis of the medical network, such as medical triage and evacuation first aid stations (PPAMTE), medical-surgical first aid detachments (DPAMC), and mobile epidemic control teams (EMA); medical units coming from nearby areas in accordance with the territorial medical intervention and support plans; and specialized medical units sent by higher echelons as reinforcements.

For purposes of territorial medical support we are interested especially in installations that can easily be adapted and outfitted for medical use (hostels, schools, boarding schools, hotels and villas at health resorts, etc), and also in installations in the defense structure (shelters, materiel depots, etc).

When the territorial medical support plans are drawn up, account must be taken of the advantages afforded by the features of the natural geographic environment so as to make the most efficient possible use of their potential for medical support and protection of the population. Special attention must also be paid to knowledge of the communications and telecommunications network for the sake of realistic and correct preparation of evacuation plans and to ensure timeliness and flexibility in conduct of operations.

The territorial unit and the infrastructure of administrative units regarded as entities with distinct characteristics of their own point to the conclusion that there is need for regrouping the territorial forces of several adjacent districts, for the sake of combining efforts in keeping with different medical support assumptions, both in preparation of intervention plans in the event of a natural disaster and in organization of territorial defense.

The entire conduct of territorial defense comes under the direct jurisdiction of the local defense councils (of communes, cities and towns, and districts), which cooperate closely with the military authorities and units in the area. Along with the other tasks of medical support in territorial defense, these councils also bear responsibility for providing the medical support necessary for operation of the defense system at the territorial level in both peacetime and wartime.

The executive committees and bureaus of the people's councils, with the concurrence of the Ministry of Health, provide medical care for citizens in the event of war and organize supply of the necessary types and amounts of drugs, medical apparatus and equipment, blood and blood substitutes, biological preparations, and other resources needed in providing medical care for the population.

The district medical administrations prepare a number of documents and take a number of measures for the purpose of organizing medical support at the territorial level. They include the following:

(a) preparation of a plan for wartime organization and operation of the civilian medical network. This plan specifies the principal measures for reorganization and modification of the medical units in the respective territorial unit.

(b) preparation of a plan of technical and organizational measures for providing medical care to the public following attacks with conventional weapons or mass destruction weapons and incendiary means.

(c) formation of medical-surgical detachments, medical first aid, triage, and evacuation stations, and mobile epidemic control teams. (There must be plans in the medical units forming them for alerting and promptly assembling personnel to make it possible to create these formations within the shortest possible time.)

Civil defense plans providing for operation of the respective units when the localities become fortresses of work, battle, and defense are drawn up by the main medical units (hospitals, pharmacies, blood collection centers, medical epidemic control centers). It is necessary for this purpose to provide standby facilities, that is, to locate reserves of materials in sheltered areas, along with surgery units, laboratories, etc, preferably in shelters where reserve supplies of water, fuels, food, electric power, etc, have been provided.

Council of Ministers Resolution No 206/1975 assigns the local branches of the Red Cross Society the responsibility for training, organization, staffing, and operation of Red Cross medical groups and for providing ways and means of providing these groups with medical and pharmaceutical materials in wartime.

Inasmuch as every district has a computer center, district data banks must be created to aid in carrying out the territorial medical support plans. Expert systems can be devised in this way to optimize territorial medical support to permit rapid transfers of human and material resources from one district to another in response to actual needs as they arise.

The territorial medical support units may be assigned other missions, as a function of the different tactical situations in which they may find themselves: in the tactical defense zone, in the depths of troop dispositions, deep in the national territory, or in encircled zones, regions, or localities.

In the tactical defense zone, the local territorial medical support forces render first aid and medical care, in accordance with the situation that has arisen, both to the wounded and sick among the civilian population and to military personnel fighting in this zone, rendering material assistance to the troop medical units.

With a view to drawing up the plan for medical support of combat, the chief medical officer of the major operational or tactical unit, along with the chief medical officer of the local defense council staff (who in this formation is directly subordinate to the unit medical officer), on the basis of sound analysis of the probable medical losses and knowledge of the capabilities of the

medical units available to them, determine the specific missions assigned to each medical unit and the evacuation stages as a function of the situation of these units in the field.

Depending on their personnel, equipment, operational capabilities, etc, the territorial medical units may be equated with the following military medical units: the medical first aid, triage, and evacuation station and the triage and evacuation section of type II civil defense battalions with the regimental aid station; the medical-surgical first aid detachment of the type I civil defense battalion with the category I line hospital; and the mobile epidemic control team with the epidemic control laboratory of the large unit.

This equivalence is used in establishing the activities and volume of medical aid which can be rendered at each stage of medical evacuation.

To provide medical support for missions, several territorial defense medical units (component medical units of the Patriotic Guards, Red Cross medical groups, etc) may be combined under a single command and subordinated to the chief medical officer of the large military unit or units which are fighting in a particular area or are intervening to eliminate the aftermath of an attack with mass destruction weapons.

Depending on the volume of medical support and the human and material resource potential available in the area for this purpose, the category I line hospitals may not be set up in the field, and the wounded and sick may be evacuated to territorial emergency hospitals of the Ministry of Health. In a situation such as this, the personnel of the category I line hospitals may, at the direction of the chief medical officer, operate organized in the form of surgical reinforcement detachments, especially in the case of medical units which double their capabilities by using standby premises selected to correspond to the evacuation stages established.

When the troops in a particular zone go over to the offensive, the military medical unit moves forward, and in the immediately following stage territorial medical support in the liberated zone is reorganized.

The territorial medical support units perform the following missions when situated in the depths of the troop dispositions: They provide medical care for the civilian population and the troops in the area; provide medical

assistance in the event of air attacks against the population and the troops in the area; through the local medical units, provide evacuation and hospitalization stages, along with qualified medical care, for the wounded coming from the front line; and replenish the supplies of medical and pharmaceutical materials of the medical units in the troop operation zone.

The same missions may also be performed by territorial medical support units in the case of action deep in the national territory.

Peacetime preparation of stocks of materials and elaboration of operations plans against the event of medical support for encircled zones, regions, or communities represents another important mission. Under the specific conditions of modern warfare, resistance in encircled territories depends primarily on training all personnel to enhance their ability to supervise. Inculcation of hygienic habits, knowledge and correct application of medical self-treatment and medical assistance, and use of local resources will be highly important. Provision should also be made for the possibility of supply by parachute drop, with sets of medical materials and drugs packed in advance in containers suitable for dropping by parachute.

The medical assistance plans drawn up by the local defense councils for various defense situations in the field or for natural disasters in peacetime call for commitment of all available medical forces to territorial medical support activities. Zonal or regional defense councils may also be established in advance by decisions of higher authorities for the purpose of coordinating the efforts of all the elements responsible for these activities. These commands proved their usefulness during the large-scale floods of 1970 and 1975, and especially during the 1977 earthquake, when timely medical aid was rendered to all the victims of these disasters and the rise and spread of epidemics were prevented through the combined efforts of all territorial and military medical units (hospitals, ambulance stations, medical epidemic control centers, etc).

Preparation of the most sensible possible medical support plans against the event of disasters or catastrophes, organization of exercises involving actual participation by all component forces and means, and periodic training of these forces represent ways of developing and improving territorial medical support of defense efforts.

## HUNGARY

### Individuals Empowered To Institute Foundations

25000039b Budapest HETI VILAGGAZDASAG  
in Hungarian 12 Sep 87 p 7

[Article: "New Legal-Rights Regulations for Citizens"]

[Text] According to a new provision in the Civil Code, starting 1 September 1987, private individuals and other legal persons will be allowed to institute foundations in Hungary. Until now entities of this type could not be set up under this designation, as—in terms of their legal status—foundations were treated by the Civil Code as covenants created to serve the public interest. (According to estimates, today there are several such covenants in existence in Hungary.)

According to the Presidential Council's decision of 28 August, foundations—unlike covenants—instituted to serve the public interest are now considered legal persons entitled to having their own property. In order for the founding charter to be valid, and thus for the foundation to be instituted, however, it must also be approved by the competent state control authority. (In the case of foundations of national importance that authority is the competent minister or the head of the appropriate national agency, while the licensing of foundations of local significance is the responsibility of the local specialized administrative agencies.) Approval cannot be refused, unless—as it is made clear in the statutory provision—the institution of a given foundation "would be in violation of the statutory provision, or would be clearly contrary to the interests of society and the requirements of socialist coexistence." Once granted, approval for the foundation cannot be rescinded. The founder appoints the administrator (representative) of the foundation; should he fail to do so, the control agency will appoint one instead.

The state control agency may dissolve the foundation once convinced that its goals have become clearly impossible to attain, or if due to changed circumstances the request to grant it legal status must be denied. Unless otherwise stipulated in the founding charter, the control agency is bound to use the assets of the dissolved foundation to support another one with similar objectives. The legal institution of public interest oriented covenants will continue to remain in effect, serving essentially the same purpose as the foundations, with the difference that generally speaking they may be rescinded even after they had been granted approval. According to the new regulations, today's public interest oriented covenants may be transformed into foundations.

The Presidential Council has also decreed that starting 1 September, certain—otherwise uncollectible—monetary claims could be collected by assessing a claim on delinquent debtor's rental rights to council-assigned apartments which henceforth would be considered monetary assets. Until now it was often impossible to force debtors

to pay up their debts if they had no executable property to seize; usually, however, these people were renters of council-assigned apartments. The law decree soon to be published in MAGYAR KOZLONY, therefore, will clearly define the right to rent as property of value that may be subject to seizure. This means that in certain cases the debtor (renter) would be compelled to accept apartment rental rights of lesser value, and use the difference to make payments on their debt. The Presidential Council did not work out the detailed provision of the decree; it has left that task up to the Minister of Justice. He is the one who, among other things, will have to determine the number of rooms and the comfort level of the apartments which debtors, or persons whose renting rights have been declared subject to seizure, will have to accept.

With respect to the financial responsibility of hotels, the Presidential Council has—as a general rule—decided to limit their liability for lost, destroyed and damaged articles of guests to an amount not to exceed 50 times the amount of the price of the room per day. Depending on the category of the hotel, the general rule before was to set the upper limit of compensation at between 5,000 and 20,000 forints.

9379

### New Tax Structure Said To Undermine Private Sector

#### Special Tax Unfair, Detrimental

25000034 Budapest HETI VILAGGAZDASAG  
in Hungarian 10 Oct 87 p 6

[Article: "Private Entrepreneurs Take Stand on Special Tax"]

[Text] The directorate private entrepreneurs' department of the Hungarian Chamber of Commerce at its meeting last week—where it discussed the anticipated effect of the price- and tax reform to be introduced next year—adopted a position which among other things stated that: the tax reform as a whole unfairly affects private entrepreneurs disadvantageously. The directorate objected to the maintenance of the enterprise special tax (this special tax is paid by enterprises on the value of the work ordered from small businesses—business partnerships, enterprise workers' business partnerships, specialized coop groups, and corporations—and the present rate is 20 percent).

The position statement clearly states: from its introduction, the special tax has been criticized not only those affected, but also those within state direction on professional and political grounds.

The special tax may not be interpreted on economic grounds and is a discriminative law which, in the final analysis, represents a disadvantageous differentiation of a group of citizens—since its passive subjects are private individuals.

It crudely offends the principle of organization neutrality (sector neutrality) publicized in political and state resolutions.

According to the original hypothesis it would influence enterprise cost management, but it is precisely this goal which it was unsuccessful in achieving.

Of the small plants, it disadvantageously weighs heaviest on the group tied closest to the socialist economy, with respect to both its market position on social evaluation. With this it reverses the favorable trend of employment possibilities offered by small businesses.

It is even more system-alien compared to the new regulatory structure than to the previous one.

It is unwarranted and unfair examined from the budget revenue viewpoint since the increase of tax liabilities falling to the private entrepreneurs is in itself greater than the planned income from the special tax alone.

It does not alleviate budget concerns, since, in the case of its continuance the ensuing negative (tax) effect of the decline in activities will exceed the level of (tax) income—which has never been realized to date—that was theoretically planned at a desk.

Because of the prior official, publicly promised termination of the special tax it could result in a deepening distrust of the government.

In light of all this the departments directorate requests the competent authorities to examine the continuance of the special tax and weigh all its consequences—and make its position clear.

#### **"Private Entrepreneurs' Last Days?"**

25000034 Budapest OTLET in Hungarian  
15 Oct 87 pp 16-17

[Article: "Are These The Private Entrepreneurs' Last Days?"]

[Text] The question arises whether the subsequent untenability of the private entrepreneurial sector will ensue with the raising of the entrepreneurial tax to 25 percent and the discriminative special tax? However, if there are no business partnerships, no enterprise workers' business partnerships, no specialized coop groups, and no small cooperatives, then there is neither an entrepreneurial tax nor a special tax. Thus, budget revenue will in any case decline. How is it possible to escape from this catch-22?

In truth, raising the entrepreneurial tax to 25 percent contradicts all reports, or rather, resolutions, to date as well as the still existing countervalue tax which discriminates against private entrepreneurs. Whereas, Anna Szekacs, the deputy under-secretary of the Ministry of Finance, in an interview in January still stated: "The process of decentralization in the socialist sector has started, and this is an indispensable prerequisite for changing the product structure. Thus the issue is not that the private sector will gain ascendancy but rather that the proportion of small- and mid-sized plants be greater."

It is true that the number of small organizations and businesses has increased significantly over the past five years. Thus, the interest which followed the latest conference of the Hungarian Chamber of Commerce which examined the new tax law is not surprising. The mood of the approximately 600 participants is well reflected in the document which the directorate of the private entrepreneurs' department also addressed to government organs. Here is an excerpt from the evaluation: "In what is planned the prioritization of short-term, starting from daily concerns is sensed instead of the realization of the publicized fundamental ideas. The extent of withdrawal—especially the tax burdens of private entrepreneurs—has reached a level which borders on social endurance and the limits of tolerance. How could tax levels be accepted when the other withdrawals, including social insurance, are not fixed and may be arbitrarily modified at a lower legislative level? The executive decrees for all intents and purposes revise what is established in the legislative level laws and either introduce new elements or regulations modifying the contents of the law... It makes no sense to argue or count the tax parameters when decrees either on the Ministry of Finance or the Council of Ministers level could be promulgated ordering further withdrawals." In any event, the 600 participants at the departmental meeting unanimously adopted the position that it finds the realistic assessment of the value-added tax and the individual income tax without fixing the enterprise, or entrepreneurial regulation inconceivable.

"For a long time we have been saying that the total effect of taxes, or rather, withdrawals, must be viewed," said Peter Simsa, the president of the Chamber's private entrepreneurs' department and president of the Vertikum Small Cooperative. "How then should we view the 20 percent special tax which from the moment of its birth is discriminative and applies only to small businesses which are not legal entities? The private entrepreneurs did not dispute too much the brackets of the individual income tax; though earlier they received a 10 percent cost lump sum allowance in the private entrepreneurial general income tax. What they are more likely to take issue with is the unrealistically high level of the entrepreneurial tax and the social insurance contribution."

The entrepreneurial tax replaces the partnership tax which in 1982 was still 3 percent and since then has risen

to 10 percent and 12 percent at higher incomes. The entrepreneurial tax will now be 25 percent. Obviously, it is impossible to talk about the publicized organization neutrality if the discriminative special tax remains and the entrepreneurial tax is increased two and a half times. Because another element of this is that in the case of private entrepreneurs the risk factor must also be taken into consideration.

If the enterprise profit tax is 50 percent—states Gyorgy Foldvari, the president of the Novarat Construction Industry Small Cooperative—then in comparison we find the 25 percent entrepreneurial tax too high. The two are not identical categories since both wages and profits of entrepreneurs are taxable while at enterprises the wages paid are costs and are therefore counted differently for tax purposes. Today, small cooperatives pay 38 percent linear tax; thus, in the case of high income this assures a more favorable position and in the case of lower income a more unfavorable position vis-a-vis the partnership tax on business partnerships and the progressive general income tax.

Thus, if we add up the effects of the various types of tax planned for 1988, the social insurance contribution, the individual income tax, and the entrepreneurial tax combined represent a much greater withdrawal than today. This is especially dangerous because small businesses no longer have large enough reserves to also manage this tax increase.

But the publicized goal of the tax reform was precisely to be competition neutral. According to Anna Szekacs, deputy assistant under-secretary of the Ministry of Finance, the new tax plan still represents serious progress over the current dual taxation system. Since the value-added tax is tied to products and services regardless of who made the product or provided the service whereas the individual income tax treats incomes uniformly. Private entrepreneurs nevertheless still often raise the question with regard to the new individual income tax why the 12,000 forint tax deduction does not cover them the way it does employees. It is however true that where ever there is a similar tax system in operation employees enjoy a certain tax advantage (either as a fixed amount or as a percentage) since they are unable to deduct the costs associated with work.

The tax burden will also be greater in the entrepreneurial sector than we thought—opined Anna Szekacs.

No doubt, a lower tax rate would give impetus to the entrepreneurial spirit, but here we must weigh two opposing viewpoints. One is that small businesses should expand and increase the number of economic entities and compensate for shortages, and the other view is that they should contribute to the coverage of budgetary expenses to the same extent as enterprises. However, with regard to the special tax the fiscal management today believes that it is not possible to maintain this type of tax.

With the introduction of the value-added tax there are some points which seem trivial but which nevertheless endanger the very existence of small businesses. An example of this is that the tax payment obligation is related to the due date of the bill and not to the receipt of the countervalue of the product. And this may cause liquidity problems for the majority of small entities struggling with a lack of funds. Obviously, at times like this, it is not the budget that bears the risk but the entrepreneur. It is little comfort that everywhere in the world there is a well developed system of credit which guarantees the prevention of this, and at the same time also bridges the liquidity problem. Because according to the representative of the Ministry of Finance it is impossible for the state budget to replace this type of credit system since they are not interchangeable, but rather, complementary systems.

The question arises what is the guarantee for the stability of the tax rate of the newly fixed entrepreneurial tax, that is, that allows entrepreneurs to make long-range plans.

“The reason why this is also problematic is that it is well-known that the newly established entrepreneurial tax was not adopted by the parliament,” says Gyorgy Foldvari, president of the Novarat Small Cooperative, “but by a lower level law which also means that it can be changes whenever they want to and there are many examples of this over the past five years.”

Nor is it a suitable explanation of this to say that according to the intent of the fiscal leadership the entrepreneurial tax will in one or two years be elevated to a legislative level—similar to the enterprise income regulations. Also this is not encouraging, noted Gyorgy Foldvari, until the tax is pegged to the budget the Council of Ministers could at any time decree supplementary measures, there is no guarantee for stable regulation. And if there is no guarantee then construction industry businesses will, for example, have to switch to cooking hamburgers and not in any way to a product which has a production period of three to five years.

09956

#### **Ideological Obstacles to Further Agrarian Policy Changes Seen**

*25000056 Budapest FIGYELO in Hungarian  
No 49, 3 Dec 87 p 8*

[Interview with Dr Bela Csendes, chairman of the Agrarian Economics Research Institute, by Peter Bonyhadi]

[Text] “Where and how far?” In the context of agriculture one cannot find answers to this question in the simple framework of the crop rotation plan, the composition of species within the animal husbandry plan, or the correlations that can be found in the relative proportions of processed food products. According to theoreticians some theoretical and even ideological problems stand in the way of further development.

From the viewpoint of practicing professionals it is not at all clear just what increased agricultural production and improved efficiency have to do with one's ability to answer theoretical and ideological questions. The practitioners question what theory has to do with practice in general, particularly in a field in which the record shows that it was practice rather than theory that brought about changes.

### **A Burdensome Legacy**

Dr Bela Csendes, chairman of the Agrarian Economics Research Institute phrased his response in terms of historical perspective. During the first half of the 1950's Hungary copied the Soviet practice. Hungary repeated many of its mistakes, but once having learned her lesson, beginning in 1957 she searched for new ways. In more precise terms: Hungary permitted the peculiar Hungarian agrarian traits to prevail. Nevertheless, the theoretical clarification of consequences drawn from unfavorable experiences was postponed.

Theory regained consciousness in the early 1960's, following the socialist reorganization of agriculture. At that point some very important issues were being clarified very rapidly, including matters such as the equal status of cooperatives and state enterprises, the peculiar features of cooperative proprietorship, the proper scope of activities for agricultural plants, the framework of enterprising within cooperatives, etc. This provided a great boost to continued agricultural development.

Economic and social changes during the past 15 years present tasks that are new as compared to the 1957 agrarian policy theses and to the theoretical findings of the early 1960's. This fact was not recognized at the appropriate time by researchers and by management. Thus science lagged with respect to the thorough clarification of the new circumstances and phenomena. The new approach which evolved within cooperatives to provide statements of general applicability to theoretical conclusions concerning organization, interestedness and management styles were not satisfactory either.

All this means that agrarian policies and a number of issues within agricultural economics must be renewed. Beyond the items we have listed before, such renewal is needed also because post-1957 agricultural development continued to bear the marks and traces of some features of 1930's Soviet ideology and practice—features which have been changed since in the Soviet Union also. These include e.g. the depressed, rigid pricing system applicable to food products, and the excessively large, but from the viewpoint of interestedness insufficiently stratified enterprises, etc. A number of enterprise initiatives, such as the relationship between large plants and household farms, the organization of share-cropping and the development of small enterprises all helped to burst the left-over fossils of theory.

[Question] In what time frame would you say did it become apparent that the 1957 agrarian policies had lost their strength?

[Answer] These agrarian policies were established and developed at a time when domestic food supplies were still staggering. Accordingly, the policies were aiming for a quantitative increase in agricultural production, the discontinuation of food imports and for the rapid expansion of food exports. The policies succeeded in accomplishing these goals.

These agrarian policies were influenced in part by the economy of shortages, and in part by earlier, in many respects obsolete traditional ideologies and theories. It is true that the leadership tried to rise above the latter influence, nevertheless the ideological viewpoint continued to find its way into agricultural economic theory and agrarian policies.

Today the task of agrarian economics is no longer the liquidation of shortages. Our agricultural exports are confronted with marketing problems and with crumbling prices in world markets. Today's agrarian policies must take these factors into consideration.

The establishment of renewed agrarian policies require the revamping of some fundamental theses of agrarian economics. The general principles formulated in earlier years have been transcended in some areas by virtue of everyday practice in cooperatives and state farms. For example: internal interestedness, enterprising and leasing have acquired a greater role. The coexistence of large enterprises with household farms carries more weight—its role has increased.

### **Keeping in Step With Reform**

During the 1960's the agricultural sector spearheaded Hungarian reform endeavors. But also in regards to agriculture, the general theoretical application, the fulfillment of the various steps of reform received definite encouragement and new impulses only since the introduction of the new economic mechanism. This was an important lesson to be learned; it provides a timely lesson also today. Based on the earlier rapid development and favorable accomplishments of agriculture, many believed that everything had been settled within the agricultural sphere, and that the further development of reform is important only from the viewpoint of other sectors of the people's economy.

It was this kind of thinking that produced opinions by which the enterprise structure within agriculture has evolved already, that there no longer was a need for e.g. small cooperatives, that it was inappropriate to apply accounting based on averages with respect to agricultural foundation activities, etc. This then threatened with the danger that the reform processes of today would bypass agriculture.

The agricultural management system, the internal production conditions of agriculture must be developed as part of the people's economy's reform processes. For instance, if present indications hold true—and it seems they will—there will be a corporate form of organization available to industry. Within that form private individuals may become shareholders. Thus the agricultural cooperatives will be placed in an unfavorable position, because within an agricultural cooperative the operating capital is not divisible. Various forms of member contributions, as well as legal provisions which restrict member contributions provide a less flexible framework than the corporate structure.

[Question] What are those unresolvable ideological issues which hinder theoretical research, and what are the theoretical problems that await resolution?

[Answer] My response will reflect my individual views—in this trade you will not find unanimity with respect to these matters. If my views trigger debate, that too will enhance the early resolution of timely theoretical issues.

If we were to list the difficulties confronted by the agrarian sector, we would find that our agricultural concerns are the same as those of the [other] socialist countries. They have the same roots. These include the past system of mandatory produce and livestock deliveries to the state. It was accompanied by prices which did not even cover costs, subordinated agriculture to industry, and obligated agriculture to produce according to pre-planned levels of performance. Another concern stems from the fact that the enterprises that purchased agricultural products fulfilled the functions of authorities. Etc.

These features of the past, of course, are no longer characteristic of Hungary, nevertheless the past continues to haunt.

In those days there were great debates about whether cooperatives should base their accounting on gross income interestedness or on interestedness flowing from wages and net income. In Western agricultural systems the wage-earning laborer is not the dominant feature. Within family farms interestedness is clearly expressed in terms of gross income. From an accounting viewpoint, of course, wages can be delineated from net income. One can figure out these matters, but this division does not bear influence on the fundamental conditions of interestedness.

In Hungary those who objected to interestedness in gross income emphasized that gross income interestedness is based on the principle of having a remainder, which then becomes the same as distribution based on units of labor, which, in turn creates uncertainties and consequently leads to the impoverishment of peasants.

### Gross Interestedness

Meanwhile within agricultural cooperatives the application of guaranteed wages became prevalent. This produced great results. It enhanced the inclination to work, raised the peasants' standard of living, and contributed to the development of agriculture. Simultaneously, however, the "farmer image," the sense of, and conduct related to proprietorship was diminished.

In the context of agriculture it is often forgotten that agriculture is humanity's direct link between nature, on the one hand, and the exchange of materials, on the other. People engaged in agriculture work with live organisms, and this fact demands special conditions of productions and interestedness. It is in this context also that we find that at the global level, the interestedness of agricultural wage earners has not become as prevalent as it did in industry.

Reverting to the debate concerning gross versus net income interestedness, one must clearly understand that unless gross interestedness is unrelated to actual enterprise independence, the resultant uncertainties in income levels will be to the detriment of cooperatives even if these cooperatives were not at all responsible for the decisions that produced the uncertainties. Under such circumstances members of cooperatives are better off if they work as wage-earners. Why should they take risks if they cannot make decisions?

We could discover the favorable features of gross income interestedness if real enterprise independence would become a reality. A "real independence" of agricultural enterprises would exist if agricultural enterprises no longer functioned in the framework of a depressed agricultural pricing system, if the means of production needed by the agricultural sector could be obtained at the marketplace, and if in the course of selling agricultural products cooperatives would confront market conditions rather than the authorities.

Meanwhile, considering the given circumstances, interestedness in wages produced some great results in the cooperatives, but it also gave way to the regulation of wages which is alien to the cooperative character.

It was for this reason that cooperatives searched for a way out, one that was more appropriate to cooperative conditions—to cooperative farming and risk taking. As a result of such endeavors there came about the concept of share-cropping in Nadudvar, and it is in this relation that we find an explanation for the development of household farming, leasing and initial attempts for small enterprising. All of these attempts represent developing endeavors in which reward depends on accomplishments rather than on wages—things that encourage enterprising, the "farmer's [manager's] way of thinking", and adjustments to given circumstances. [Translators note: many Hungarian words are derived from agricultural

contexts. "Gazdalkodni" means "farming," but it also means "managing," e.g. managing one's money, or in the modern context, the management of enterprises.]

The term "management" has assumed dimensions of general applicability. It assumes operational conditions fundamentally different from those that exist at present, and requires the organization of work, and the existence of internal systems of command and control. Accordingly, we must abandon the theory by which agriculture must function in a manner identical to large industry. This line of thought leads us to property issues, and to the further development of autonomy, cooperative democracy and cooperative interest protection.

In a peculiar manner, while grass-roots pressures yielded a process which is based on concepts of more real managerial, proprietary and individual initiatives, from the viewpoint of taxation the agricultural base is being changed from gross income to profits. It raises concern that while the utilitarian, natural movements within farm cooperatives tend to relinquish interestedness in wage-earning and favor an approach toward interestedness in sharing, tax policies drive the farming sector in the opposite direction.

#### The General Application of Practice

[Question] It seems that with more or less success, with or without theoretical guidance, the cooperatives were able to resolve part of their problems related to interestedness by virtue of their practical experiences. In other words, it seems that farms were capable of formulating their own, rational forms of management. Why do these practical matters have to be justified separately by theory?

[Answer] During the past 15-20 years, practice was far ahead of theory in a number of matters. One could say that in many respects theory reached general conclusions by following practice. Ferenc Erdei once wrote that a Hungarian agricultural economist has an easy job because he can make a living by describing practical experiences. Of course he did not say this because he felt that such an endeavor would suffice.

Many economists stated—and I happen to agree with their statement—that well-chosen practical solutions are useful and should be followed. But if such practice is not being justified in theory and is not being clarified within the realm of ideology, the danger will always exist that these proper practical processes will come to a halt or will reverse themselves.

Thus, for instance, the absence of theoretical justification for internal systems of interestedness contributed to the fact that a system that has gained national acclaim in the Baksa cooperative was rendered impotent through the practice of taxation. Lacking theoretical justification

and ideological support, the otherwise favorable practical methods do not become patterns for widespread practice—they do not reach the level of general applicability.

#### The Main Trends

[Question] In summary then, what are the main trends that should serve as a basis for research, and what should serve as the foundation for the agrarian policies of the 1990's?

[Answer] Issues pertaining to modern agricultural plant structures, changing conditions of production, interestedness in the status of assets, the valuation of real property, and the matter of subsidies await theoretical evaluation. Similarly, the opportunities for the transformation and increased number of cooperative forms, internal entrepreneurial systems, interestedness in the end product, differentiation, and the problems that attend the "industrialization" of agriculture also demand some rethinking.

Agrarian policies must be prepared to accommodate a more open economic system, and they must improve the agricultural sector's capability to adapt and to produce income. Increased attention must be paid to the establishment of conditions for structural transformation and to the improvement of product quality.

We must encourage a general managerial sense. We must aim for the realization of cooperative large-enterprise centrums which organize, coordinate, and at the same time ensure a democratic structure for enterprising members of cooperatives. A far greater role must be assigned to natural and environmental factors, and to the preservation of scenic areas. In the foregoing I did not intend to present an exhaustive listing of issues that demand attention. Nevertheless, even this partial list should suggest that there is a lot of research to be done.

12995

### ROMANIA

#### Romanian Products at Bucharest International Fair

27000024a Bucharest *REVISTA ECONOMICA*  
in Romanian No 44, 30 Oct 87 pp 10, 23

[Article by C. Mircescu: "A Fruitful Balance Sheet at the Bucharest International Fair'87"]

[Text] The 13th Bucharest International Fair [TIB] has closed its gates; the foreign guests and the Romanian enterprises which participated in it have been invited to attend the 14th fair in October 1988.

For close to 20 years the capital city of socialist Romania has been hosting these exhibit events that have won great prestige and have become an international attraction, as

an expression of our country's desire for peace and cooperation with all the states of the world, regardless of their social and political systems. This year, our country's exhibits offered a representative sample of the capabilities of the Romanian economy in full process of intensive development and of its capacity to participate increasingly actively and efficiently in international economic exchanges, thus contributing its own efforts to the implementation of the fair's motto: Commerce, Cooperation, Development.

TIB'87 attracted great attention from domestic producers and foreign businessmen. The fair was attended this year by 700 Romanian enterprises—taking up about 60,000 square meters of pavilions and outdoor stands—and 500 foreign firms from 37 countries of all the continents. Medals and diplomas were awarded for participation in the 13th TIB to the 27 national pavilions present: Argentina, Australia, Austria, Belgium, Brazil, Bulgaria, Canada, Czechoslovakia, Chile, PRC, Colombia, Cuba, GDR, FRG, Greece, Israel, Italy, Yugoslavia, Japan, Norway, Poland, Senegal, United States of America, Sweden, Turkey, Hungary, and USSR. The PLO also participated. Diplomas and medals were also awarded for active and efficient participation, for exhibit quality, and for display attractiveness to 50 individually exhibiting foreign firms and to more than 50 Romanian foreign trade enterprises.

The products exhibited in the Romanian stands reflected the priority directions in which our country is acting to implement the programs worked out by the party and the guidelines issued by the party secretary general, Comrade Nicolae Ceausescu on perfecting the entire conceptualization, design, and execution of the means of production, at a high technological level, with a view to outfitting the production capacities of the Romanian economy and meeting the highest demands of foreign customers.

We will not now dwell on the various exhibits of the electronics industry, which were presented in a previous issue. Among the key branches, the Romanian optics industry exhibited a range of high performance and high precision products in the stands of the Technoimport-export International Trade Enterprise, which enjoy the appreciation of foreign partners, such as: microscopes (for schools, research, and laboratories), fluorescent microscopes for biology and metallography, and stereoscopic and comparative microscopes.

The families of Microm, Biorom, Edurom, and Elerom microscopes attracted the attention of the visitors, as did the research microscopes MC-5A-Universal and MC-6 for metallography, MC-2 for biology, the MC-9 fluorescent microscope, and the MSC-200 X stereoscopic comparative microscope. The photographic lenses and equipment exhibited were of an equally high technological level.

The Romanian optics industry also offered 16 and 33 mm stationary film projectors (for large halls) and mobile projectors (for small halls), including sound and amplifier equipment, as well as a wide range of slide projectors, and medical optical apparatus such as: Oftalmo for ophthalmological tests, Sinopto for the treatment of eye movement disorders, Distotip for testing distance vision, Proxtip for testing close vision, Amblio for the treatment of ambliopia, installations for mounting lenses in frames, and axosymmetrical and astigmatic lenses. The range of dentistry equipment produced by the enterprises includes new types of Dentio-5 complete dental units—with water installations, compressed air, Doriot arm, lighting, cauterization, testing, and other features, and surgery accessories (including a CUD-3 air compressor). Romania is one of the few countries in the world to produce synthetic diamonds on an industrial scale on the basis of its own technologies. At the stand of the Dunarea Foreign Trade Enterprise, the Dacia enterprise for synthetic diamonds presented a wide range of internationally competitive synthetic superabrasives.

The major families of diamonds, exhibited in a diversified range and at a high quality, were Tenace, Mediu, and Friabil. They won praise from both domestic and foreign users. The diamond abrasive tools can be used to process both metal and non-metal surfaces in the machine-building industry, the construction materials industry, and in any other area requiring very durable and precise tools.

Another category of products using diamond dust are sprays (DIA-JET) and emulsions (DIA-SOL), which are produced in 13 varieties according to fineness. These are on a par with international standards and are greatly sought after for their abrasion qualities.

Another prestigious participant in TIB'87 was the aeronautics industry, which currently manufactures a large variety of aircraft: the ROMBAC 1-11 medium courier passenger plane (on a British Aerospace licence); IAR 330 (Puma) medium reactor helicopters and IAR 316 (Alouette) light reactor helicopters; BN2 10-seat passenger planes (in cooperation with the firm of Pilatus-Britten Norman); IAR 93 (Vulturul) special destination turboreactor planes—designed and built jointly by Romania and Yugoslavia; IAK 52 training plane (in cooperation with the USSR); IAR 827 agricultural planes; IAR 825 light turbopropulsion school and training planes; motor gliders IS 28M2, and various other gliders. Romania also manufactures and exports modern engines for airplanes and helicopters, such as: Turmo IV-C turbo engines (French Turbomeca licence), Viper MK 632-41 turboreactors (Rolls-Royce licence), Spey 512-11 DW turboreactor engines (Rolls-Royce licence), M14 P classical engines (for IAK 52) and M 14 V engines (for the K 26 Soviet agricultural helicopters), as well as mechanical sets for helicopters and airplanes, panel-board apparatus, and other (cast and forged) aeronautics equipment and parts.

As usual, among the exhibitors were also manufacturers of oil equipment—one of our country's old traditional industries, which enjoys a well deserved international prestige. Among the industry's recent achievements which attracted the attention of foreign partners we want to cite: the F-320, F-460, and F-500 electric or diesel-hydraulic drilling installations built in the past few years for 6,000-8,000 meters depth drilling; export installations designed for particularly harsh climates; the F-900 drilling installation for over 10,000 meter depths, which, equipped with a 2,500 CP pump, is among the most powerful in the world and exceeds international performances. Great international praise was won by the Romanian-made eruption and rig heads that are highly resistant to sulphuric hydrogen and carbon dioxide under high pressure.

While the average internationally built drilling bits can withstand 60 meters of drilling, the Romanian oil equipment builders have designed bits that can withstand 100-120 meters, something that is undoubtedly an international priority. Romanian drilling equipment holds records in various parts of the world from the viewpoint of depth. For example: 5,500 meters in Argentina, 8,008 meters in the GDR, not to mention the records noted in our country, as well as records of utilization at low temperatures: -40 degrees (in arid steppes) or at very high temperatures in the desert.

In the Uzinexportimport stands, the naval industrial central exhibited models of about 45 sea and river craft built at the Constanta, Galati, Tulcea, Braila, Giurgiu, Oltenita, and Drobeta-Turnu Severin shipyards. Among the craft built there and exhibited at the fair we want to mention: universal 1,100-15,000 dwt cargoboats for general goods and containers; 12,000 dwt ferryboats; roll-on roll-off boats for wheel loading and transportation of railway cars, trucks, cars, tractors, agricultural machines, etc.; craft with hydraulic gates that open at pier; bulk cargoboats of up to 65,000 dwt; large capacity oil tankers; marine drilling platforms, service and technical craft

(floating cranes, suction and bucket dredgers, and barges), tugs, mineral carriers, river push-boats, and floating docks. Bulk and other cargoboats of varying capacities are exported to Poland, USSR, Czechoslovakia, Cuba, China, Greece, Lebanon, Iran, Bulgaria, Norway, India, and Japan. River push-boats of 1,600-2,400 HP have been exported to Yugoslavia and Czechoslovakia.

The diversified export offers presented in the stands of Romanian foreign trade firms by hundreds of industrial enterprises and centrals, institutes of scientific research and technical engineering, and institutes of higher education have permitted the achievement of important export transactions as of the very first days of the fair. By the time our magazine issue came out, export contracts had been signed for groups of machines and equipment, electronics, and heavy machinery such as: exports of metal processing products to Japan and the USSR; railway cars and engines to Austria, Australia, Brazil, and Poland; tractors and agricultural machines to the USSR, Czechoslovakia, and the United States; oil and geological prospecting equipment to the USSR; electrical engines to Canada and the USSR; ball bearings to the GDR and Bulgaria; computers to Czechoslovakia; and buses to Bulgaria.

A wide range of consumer goods—approximately 5,000 products exhibited in the stands of the light industry alone—permitted the signing of contracts for the export of textiles to the United States, Canada, and the USSR and footwear to Canada, France, and the FRG.

To these immediate results of the fair we must add the long-term effects of the complex promotional activities carried out at press conferences, technical-commercial expositions at the various stands, exchanges of experience with specialists, and negotiations, which all together contributed to better highlighting socialist Romania's current economic potential.

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